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No. 95-45

In the Supreme Court of the United States

OCTOBER TERM, 1995

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,

Petitioners,

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

1. Whether the Seventh Amendment requires the issue of claim interpretation to be submitted to the jury when extrinsic evidence presented in a patent infringement action at law raises a dispute as to how patent claim terms would have been understood by one skilled in the pertinent art?

2. Whether the Seventh Amendment permits one jury to interpret patent claims in deciding the question of validity and a different jury to again interpret the claims in deciding the question of infringement when the issue of claim interpretation is critical to both infringement and patent validity?

3. Whether a Court of Appeals panel's summary affirmance of an appeal, so as to avoid application of a rule of law of the Court in banc with which that panel disagrees, denies the appellants their statutorily granted right of appeal?

LIST OF INTERESTED PARTIES

The following parties appeared before the United States Court of Appeals for the Federal Circuit in the proceedings below:

Fred L. Pirkle
Therm-Omega-Tech, Inc.
Ogontz Corporation (formerly
Ogontz Controls Company)
Thomas M. Kenny

Petitioner Therm-Omega-Tech, Inc. has no parent company nor subsidiaries.

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

LIST OF INTERESTED PARTIES ii

TABLE OF AUTHORITIES vii

OPINIONS BELOW 2

JURISDICTION 2

CONSTITUTIONAL PROVISIONS AND RULES INVOLVED 2

STATEMENT OF THE CASE 2

REASONS FOR GRANTING THE PETITION 9

I. Whether The Seventh Amendment Requires That The Meaning Of Patent Claim Terms Be Submitted To The Jury, When Extrinsic Evidence Raises A Genuine Dispute, Is An Issue Of Exceptional National Importance 9

TABLE OF CONTENTS--Continued

Page

II. The Present CAFC Position That Claim Interpretation Is In All Cases A Question Of Law Exclusively For The Court Is In Conflict With The Prior Teachings Of This Court Regarding Cases In Which Extrinsic Evidence On The Issue Has Been Presented 11

III. The Seventh Amendment Issues Are Squarely Presented By This Case 14

IV. The Seventh Amendment Issues Presented In This Case And In *Markman* Have Fully Matured And Are Ripe For This Court's Consideration 16

V. The CAFC's Excessive And Improper Utilization Of Federal Circuit Rule 36 Constitutes Such A Marked Departure From An Acceptable Course Of Appellate Judicial Procedure As To Call For The Exercise Of This Court's Supervisory Power 17

CONCLUSION 23

TABLE OF CONTENTS--Continued

Page

APPENDIX

CAFC Judgment, entered April 6, 1995 .... 1a

District Court Order denying motion to include the validity defenses in the retrial, entered March 25, 1994 ..... 2a

District Court Civil Judgment, entered May 19, 1994 ..... 3a

District Court Final Injunction Order, entered May 19, 1994 ..... 6a

District Court Memorandum - Findings of Fact and Conclusions of Law, entered May 19, 1994 ..... 14a

District Court Supplement to Judgment, entered July 8, 1994 ..... 18a

Distict Court Order denying petitioners' post-trial motions, entered July 28, 1994 ..... 19a

District Court Memorandum and Order regarding summary judgment motions in the '86 Action, entered July 9, 1992 ..... 20a

TABLE OF CONTENTS--Continued

Page

District Court Memorandum and Order regarding summary judgment motions in the '90 Action, entered July 9, 1992 ..... 39a

CAFC Order denying petition for rehearing, entered May 24, 1995 ..... 49a

United States Constitution Amendment VII 51a

Federal Circuit Rule 36 ..... 51a

TABLE OF AUTHORITIES

CASES Page

Bischoff v. Wethered, 76 U.S. (9 Wall.) 812 (1870) 12, 13
Chauffeurs, Teamsters & Helpers Local No. 391 v. Terry, 494 U.S. 558 (1990) 10
Gasoline Products Co., Inc. v. Champlin Refining Co., 283 U.S. 494 (1931) 15, 16
Graham v. John Deere Co., 383 U.S. 1 (1966) 14
Heald v. Rice, 104 U.S. 737 (1882) 12, 14
Intervet America, Inc. v. Kee-Vet Laboratories, Inc., 887 F.2d 1050 (Fed. Cir. 1989) 6
Lemelson v. General Mills, Inc., 968 F.2d 1202 (Fed. Cir. 1992), *cert. denied*, 113 S. Ct. 976 (1993) 10
Market Street Cable Railway Co. v. Rowley, 155 U.S. 621 (1895) 12, 13
Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995) ..... *passim*
Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561 (Fed. Cir.), *cert. denied*, 481 U.S. 1052 (1987) 14
Read Corp. v. Portec, Inc., 970 F.2d 816 (Fed. Cir. 1992) 5, 6
Sartor v. Arkansas Natural Gas Corp., 321 U.S. 620 (1944) 11
Silsby v. Foote, 55 U.S. (14 How.) 218 (1852) 12, 13

TABLE OF AUTHORITIES--Continued

Page

Singer Co. v. Cramer, 192 U.S. 265 (1904) 12, 14
Witco Chemical Corp. v. Peachtree, Doors, Inc., 787 F.2d 1545 (Fed. Cir.), *cert. dismissed*, 479 U.S. 877 (1986) 6, 16

CONSTITUTIONAL AND STATUTORY PROVISIONS

U.S. Const. amend. VII ..... *passim*
28 U.S.C. §1254(1) 2
28 U.S.C. §1295(a)(1) 16

RULES OF COURT

Fed. R. Civ. P. 50(a)(1) 4
Fed. Cir. R. 18 (superceded) 17
Fed. Cir. R. 36 ..... *passim*

MISCELLANEOUS

81 A.B.A.J. 24 (July 1995) 9
Advisory Council on Appellate Justice of the Federal Judicial Center, FJC Research Series No. 73-2, *Standards for Publication Of Judicial Opinions* (1973) 18

TABLE OF AUTHORITIES--Continued

Page

2 Almanac of the Federal Judiciary (Aspen Law & Business 1995) 20, 21
W. Blume, *Origin and Development of the Directed Verdict*, 48 Mich. L. Rev. 555 (1950) 14, 15
First Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit proceedings, 100 F.R.D. 499 (1983) 17, 18
Fourth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit proceedings, 112 F.R.D. 439 (1986) 19
Eighth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit proceedings, 133 F.R.D. 245 (1990) 19
Ninth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit proceedings, 140 F.R.D. 57 (1991) 20
1994 Preliminary Annual Report of the Director of Administrative Office of the United States Courts 10
Report of the Commission on Revision of the Federal Court Appellate System, 67 F.R.D. 195 (1975) 19

TABLE OF AUTHORITIES--Continued

Page

William L. Reynolds & William M. Richman, *The Non-Precedential Precedent -- Limited Publication and No-Citation Rules in the United States Courts of Appeals*, 78 Colum. L. Rev. 1167 (1978) 20

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No.

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,

Petitioners,

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,

Respondents.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

Petitioners Fred L. Pirkle and Therm-Omega-Tech, Inc. respectfully pray that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Federal Circuit ("CAFC") entered in this case on April 6, 1995, the day after entry of the in banc decision of the CAFC in *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995).

OPINIONS BELOW

The Court of Appeals disposed of the appeal without opinion. The District Court delivered opinions in connection with its rulings on summary judgment motions. Those opinions are unreported, but are reproduced in the appendix to this petition. The District Court delivered no opinions in connection with its dispositions of post-trial motions.

JURISDICTION

The judgment of the Court of Appeals was entered on April 6, 1995. A timely petition for rehearing with suggestion for rehearing in banc was denied on May 24, 1995, with Senior Circuit Judge Skelton voting to grant rehearing. App. 49a. The jurisdiction of this Court is invoked under 28 U.S.C. §1254(1).

CONSTITUTIONAL PROVISIONS AND RULES INVOLVED

This case involves the Seventh Amendment to the United States Constitution and the CAFC's Rule of Practice 36. Each of these provisions is set forth in the appendix.

STATEMENT OF THE CASE

Petitioners Fred L. Pirkle and Therm-Omega-Tech, Inc. and respondents Ogontz Corporation and Thomas M. Kenny ("Ogontz") are the only two competitors in the

United States for the manufacture, sale and repair of mechanical railroad freeze protection valves. Until his employment was involuntarily terminated in October 1982, Mr. Pirkle had been employed by Ogontz. Prior to Mr. Pirkle's entry into the market after his termination by Ogontz, Ogontz had enjoyed no competition in the mechanical railroad freeze protection industry.

Mr. Pirkle is the inventor of a mechanical railroad freeze protection valve known as the MV-1, as to which he obtained U.S. Patent No. 4,460,007 ("the '007 patent") in July 1984. Litigation between the parties began when Ogontz brought suit in Pennsylvania state court in September 1983 claiming ownership of the '007 patent pursuant to a contractual provision entitling Ogontz to ownership of inventions made by Mr. Pirkle during his employment. In the fall of 1988, the state court entered a final decree in Ogontz's favor directing Mr. Pirkle to assign the '007 patent to Ogontz and to account for any profits made from sales of MV-1 valves. That decree was affirmed on appeal and Mr. Pirkle fully performed his obligations pursuant thereto.

While the state court proceedings were pending, petitioners initiated two actions in the United States District Court for the Eastern District of Pennsylvania, one in 1986 and one in 1990, which actions were ultimately consolidated in 1992. Petitioners asserted various federal and state law causes of action. Ogontz asserted counterclaims, including claims that petitioners had infringed the '007 patent and U.S. Patent No. 4,878,512 ("the '512 patent").

None of petitioners' claims were permitted to go to the jury. Some were addressed by summary judgment and some were addressed pursuant to Fed. R. Civ. P. 50(a)(1) at the close of all evidence. Accordingly, the only claims that were submitted to the jury were Ogontz's patent infringement claims.

The jury in the first trial was deadlocked on the issue of infringement of the '007 and '512 patents by petitioners' Guru Plugs,[1] but they were able to reach agreement and reject the defenses of patent invalidity and inequitable conduct. The District Court ordered a new trial on the issues of infringement and damages. Petitioners argued that the Seventh Amendment mandated that the new trial also address the issue of patent invalidity since that issue also involved claim interpretation and was therefore inextricably intertwined with the issue of infringement. The District Court denied that motion without opinion. App. 2a.

The second trial covered alleged infringement by petitioners and damages through March 30, 1994. Petitioners made motions for JMOL at the close of Ogontz's evidence and at the close of all evidence. Those motions were not granted. The case (including the issue of claim interpretation) was submitted to the second jury which returned a mixed verdict: no devices were found to infringe either the '512 patent or claims 1-3 of the '007

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[1] "Guru Plug" is the trade name used with respect to a family of mechanical freeze protection plugs first invented by Mr. Pirkle in 1988 and as to which he was granted several patents. There is no claim by Ogontz to ownership of the Guru Plug patents.

patent. Some types of Guru Plugs, however, were found to infringe claims 4, 9 and 10 of the '007 patent, and lost profits were awarded.[2]

At no time did the District Court instruct either of the juries as to what the proper interpretation of the claim language in issue was.[3] In renewing their motion for JMOL after the verdict of the second jury, petitioners asked the District Court to interpret certain terms in issue as a matter of law, relying on existing CAFC precedent that "[c]laim interpretation is a question of law for the court. * * * Where the court's interpretation is not set forth in its instructions to the jury, the court must perform its role of deciding this issue of law in ruling on the JNOV motion." *Read Corp. v. Portec, Inc.*, 970 F.2d 816, 822-23 (Fed. Cir. 1992). The District Court did not interpret any of these claim terms and denied petitioners' post-trial motions without opinion. App. 19a.

On appeal to the CAFC, petitioners asserted a number of errors, including challenges to the grants of summary judgment and JMOL on petitioners' claims. Petitioners also attacked the judgment of infringement on several grounds. Petitioners first argued that because claim interpretation was a critical element in the determination

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[2] Claims 4, 9 and 10 of the '007 patent are quoted verbatim in the District Court's Final Injunction. App. 6a - 13a.

[3] Since the issue of claim interpretation was to be decided by the jury, petitioners had requested the District Court to submit specific claim interpretation interrogatories to the jury. That request was denied.

of both infringement and the invalidity defenses of anticipation and obviousness, and because the claims of a patent must be given the same interpretation when considering infringement as when considering validity, *Intervet America, Inc. v. Kee-Vet Laboratories, Inc.*, 887 F.2d 1050, 1053 (Fed. Cir. 1989), the Seventh Amendment compels a new trial where the issue of claim interpretation is given to different juries in resolving separate aspects of the same case. *See Witco Chemical Corp. v. Peachtree, Doors, Inc.*, 787 F.2d 1545 (Fed. Cir.), *cert. dismissed*, 479 U.S. 877 (1986). [Brief for Appellants, pp. 29-30; Reply Brief, pp. 15-17].

Petitioners also argued, again citing *Read*, that the claims should be interpreted by the CAFC, and that when the claims are properly interpreted, the evidence would not support the infringement verdicts.[4] [Brief for Appellants, pp. 32-45; Reply Brief, pp. 20-25]. Additionally, petitioners argued that having submitted the issue of claim interpretation to the jury and having charged the jury that in interpreting the claims they "should consider . . . dictionary definitions . . . . ", the District Court's refusal to take judicial notice and permit the reading of specific dictionary definitions of a number of pertinent terms found in Claims 4, 9 and 10 of the '007 patent prejudiced their substantial rights and required a

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[4] Petitioners also made arguments regarding the impropriety of recovering damages for the manufacture and sale of valves that predated the assignment of the '007 patent to Ogontz, and the non-recoverability of lost profits under the facts of this case.

new trial. [Brief for Appellants, pp. 30-32; Reply Brief, pp. 18-20].

Oral argument in this case was presented on April 5, 1995 to a panel of the CAFC comprised of Circuit Judges Newman and Rader and Senior Circuit Judge Skelton. At the commencement of oral argument, petitioners' counsel acknowledged his awareness that issues regarding the respective roles of judge and jury in connection with claim interpretation were pending before the Court in banc in *Markman v. Westview Instruments, Inc.*, CAFC No. 92-1049, and expressed an intent not to orally argue those issues to the panel because when handed down, the *Markman* in banc decision would control. Petitioners' counsel was unaware, and the panel did not disclose, that the opinions in *Markman*, including opinions by panel Judges Newman and Rader, were being released that very day. Those opinions are now published at 52 F.3d 967 (Fed. Cir. 1995).

In *Markman*, an eight judge majority ruled that "in a case tried to a jury, the court has the power and the obligation to construe as a matter of law the meaning of the language used in the patent claim," 52 F.3d at 979, and a failure to instruct the jury as to the meaning of the claims cannot be harmless when the district court does not thereafter construe the claims in the course of granting judgment as a matter of law. *Id.* at 981-82. In a concurring opinion, in the case of Judge Mayer, *id.* at 989-98, and a dissenting opinion, in the case of Judge Newman, *id.* at 999-1026, it was argued forcefully that where the evidence presents a disputed issue of fact as to

what claim terms would have meant to one skilled in the pertinent art at the time of the invention, the Seventh Amendment requires that the issue of claim interpretation be submitted to the jury.

The day after the oral argument in this case and the release of the opinions in *Markman*, the Clerk entered a judgment without opinion in this case (App. 1a):

> AFFIRMED. *See* Fed. Cir. R. 36.

Literature from the CAFC received with the judgment stated that "a judgment of affirmance without opinion under Fed. Cir. R. 36 . . . is used only when the appellant has utterly failed to raise any issues in the appeal that require an opinion to be written in support of the Court's judgment of affirmance." None of the issues presented to the CAFC were appropriate for Rule 36 disposition without opinion. Indeed, since an affirmance of the District Court's orders could not be reconciled with the previous day's holding of the in banc majority in *Markman*, the Clerk's entry of judgment of affirmance without opinion appeared to have been a clerical mistake.

A petition for rehearing with suggestion for rehearing in banc was filed. Although Senior Judge Skelton (who had not participated in *Markman*) voted to rehear the case, Judge Newman and Rader, neither of whom had agreed with the *Markman* majority, did not vote to rehear the case and the petition was denied.

REASONS FOR GRANTING THE PETITION

I. Whether The Seventh Amendment Requires That The Meaning Of Patent Claim Terms Be Submitted To The Jury, When Extrinsic Evidence Raises A Genuine Dispute, Is An Issue Of Exceptional National Importance

This Court has been asked to review no patent-related issue of greater national importance or pervasive effect than the issue presented by this case concerning the command of the Seventh Amendment regarding the proper roles of judge and jury vis-à-vis patent claim interpretation.[5] The intrinsic importance of the first issue presented by this petition is manifest from the divergent opinions of a sharply divided CAFC in *Markman*. The importance placed on the issue by the intellectual property community is evident from the participation of nine amici curiae (who filed seven separate briefs totalling 131 pages) before the CAFC in *Markman*. The *Markman* decision is in all regards properly characterized as both a "controversial decision" and a "landmark ruling." *See* 81 A.B.A.J. 24 (July 1995).

The importance attaching to the issue is hardly surprising. Claim interpretation is the first step to be addressed when deciding patent infringement. This is a vitally important step and must not be given "short shrift."

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[5] Related petitions for writs of certiorari are pending in *Markman v. Westview Instruments, Inc.*, No. 95-_____ (filed July 3, 1995) and *United States Surgical Corp. v. Ethicon, Inc.*, No. 94-2081 (filed June 20, 1995).

Lemelson v. General Mills, Inc., 968 F.2d 1202, 1206 (Fed. Cir. 1992), *cert. denied*, 113 S. Ct. 976 (1993). Indeed, as Judge Newman observed in her dissenting opinion in *Markman*, "[d]eciding the meaning of the words used in the patent is often dispositive of the question of infringement." 52 F.3d at 999. Claim interpretation is also integral to analyses of the validity defenses of anticipation and obviousness. *Lemelson*, 968 F.2d at 1206.

Not only is the issue of claim interpretation preeminent in patent cases, but the Seventh Amendment is implicated in most cases since the majority are tried to juries.[6] As this Court reiterated in *Chauffeurs, Teamsters & Helpers Local No. 391 v. Terry*, 494 U.S. 558, 565 (1990):

> "'Maintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be scrutinized with the utmost care'". . . .

The *Markman* majority having recognized that there is a right to a jury trial in a patent infringement action at law, 52 F.3d at 984, and that "[e]xtrinsic evidence . . . may be necessary to inform the court about the language in which the patent is written," *id.* at 986, the logic of the CAFC's curtailment of the right to have the jury resolve disputes raised by such extrinsic evidence is not evident. It would

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[6] In fiscal year 1994, 70% of patent trials were tried to juries. 1994 Preliminary Annual Report of the Director of Administrative Office of the United States Courts, Table C-4 (available from the Administrative Office's Statistics Division).

not appear to be of constitutional significance that "[i]t is not ambiguity in the document that creates the need for extrinsic evidence but rather unfamiliarity of the court with the terminology of the art to which the patent is addressed." *See id.*

The function of weighing and assessing the credibility of a witness' testimony "belongs to the jury, who are presumed to be fitted for it by their natural intelligence and their practical knowledge of men and the ways of men; and so long as we have jury trials they should not be disturbed in their possession of it, except in a case of manifest and extreme abuse of their function." *Sartor v. Arkansas Natural Gas Corp.*, 321 U.S. 620, 628 (1944) (quoting *Aetna Life Ins. Co. v. Ward*, 140 U.S. 76, 88 (1891)). If the jury's role in adjudging the credibility of witnesses and weighing competing evidence regarding claim interpretation is to be curtailed, it should only be done after the issue has been "scrutinized with the utmost care" by this Court.

II. The Present CAFC Position That Claim Interpretation Is In All Cases A Question Of Law Exclusively For The Court Is In Conflict With The Prior Teachings Of This Court Regarding Cases In Which Extrinsic Evidence On The Issue Has Been Presented

In holding that claim interpretation is a question of law exclusively for the court, even when extrinsic evidence has been received as to how disputed claim terms would have been understood by a person skilled in the pertinent art, the CAFC has departed from the prior teachings of this

Court. This conflict alone provides a compelling reason for the grant of a writ.

Three of this Court's opinions that address the subject: *Singer Co. v. Cramer*, 192 U.S. 265 (1904), *Market Street Cable Railway Co. v. Rowley*, 155 U.S. 621 (1895), and *Heald v. Rice*, 104 U.S. 737 (1882), were not even discussed by the *Markman* majority.[7] Two other cases: *Bischoff v. Wethered*, 76 U.S. (9 Wall.) 812 (1870) and *Silsby v. Foote*, 55 U.S. (14 How.) 218 (1852), were addressed, but not meaningfully distinguished. *See* 52 F.3d at 987-88.

The *Markman* majority cited *Silsby* in support of the proposition that the jury should have no involvement in determining the meaning of patent claim terms. 52 F.3d at 977. The Court in *Silsby* did, in fact, state that "[t]he construction of the claim was undoubtedly for the court." 55 U.S. at 225. "Construction," however, properly refers to the "legal effect" of a claim, whereas "interpretation" relates to the "meaning" thereof. *Markman*, 52 F.3d at 1000-01 (Newman, J., dissenting). It is clear that the Court in *Silsby* appreciated this distinction. Indeed, the claimed error in *Silsby* was that the trial court improperly left to the jury the question of what the claimed invention was. 55 U.S. at 225 ("The objection made to it is, that the court left to the jury what was a matter of law."). In rejecting the argument that the trial judge should have defined the claimed invention, the *Silsby* Court aptly

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[7] The *Markman* majority relegated these cases to a string cite. 52 F.3d at 977.

stated: "How could the Judge know this as a matter of law?" *Id.* at 226. The *Silsby* Court went on to hold that the determination of what the claimed invention was "became a question for the jury, upon the evidence of experts, or an inspection by them of the machines, or upon both . . . . " *Id.*[8]

In *Bischoff*, this Court noted that "the specifications for patents are documents of a peculiar kind" and that the claimed inventions "are commonly described by terms of art or mystery to which they respectively belong; and these descriptions and terms of art often require peculiar knowledge and education to understand them . . . . " 76 U.S. at 815. Characterizing the issue as "an important question of practice under the patent law," *id.* at 814, this Court held that the determination of the character of the thing invented, from the patent specification and evidence *in pais*, was a question for the jury. *Id.* at 815-16.

From *Silsby*, *Bischoff* and other precedents of this Court, it can be discerned that the factor determining the jury's role in ascertaining the meaning of patent language is whether or not extrinsic evidence has been presented. *See Market Street Cable Railway Co.*, 155 U.S. at 625 ("No extrinsic evidence was given or needed to explain terms of art, or to apply the descriptions to the subject-matter

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[8] The fact that the type of claim involved in *Silsby* is no longer statutorily permissible is of no legal significance to the question of whether interpreting the meaning of the claim as drafted is a question for the jury when extrinsic evidence has been presented. The *Markman* majority's attempt to distinguish *Silsby*, 52 F.3d at 987-88, is not persuasive.

. . . . The question was, then, one of pure construction and not of evidence, and consequently was matter of law for the court, without any auxiliary fact to be passed upon by the jury."); *Heald*, 104 U.S. at 749 (same); *Singer*, 192 U.S. at 275 (same). If the rule of law established by the CAFC in *Markman* the day before judgment was entered in this case is to be endorsed by this Court, the foregoing cases must be overruled.

III. The Seventh Amendment Issues Are Squarely Presented By This Case

In *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966), this Court very clearly stated that "the scope and content of the prior art" and "the level of ordinary skill in the pertinent art" are "basic factual inquiries."[9] At the trials of this case, petitioners presented prior art pertinent to the meaning of disputed claim terms, together with testimony of both the inventor and Ogontz's own Chief Engineer at the time of the invention, as to what these terms would have meant to those skilled in the pertinent art. Petitioners are mindful of the observations of Professor Blume:

> The right guaranteed by the Constitution is the right to jury *trial*; not a right to a jury's *verdict*.

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[9] It is not debated that patent claims must be interpreted as they would have been understood by "one of ordinary skill in the art at the time of the invention." *Markman*, 52 F.3d at 986. The CAFC has observed that "'a person having ordinary skill in the art,' [is] not unlike the 'reasonable man' and other ghosts in the law." *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561, 1566 (Fed. Cir.), *cert. denied*, 481 U.S. 1052 (1987).

> There is no right to a trial unless there is an issue to be tried.
>
> In applying what may be called the "issue" test to determine whether there is a right to jury trial, each factual element in the claim or defense should be considered separately. There may be issues formed by the evidence as to some of the facts and not as to others. Only those facts which are in issue under the evidence should go to the jury for determination.
>
> The right of jury trial extends to these facts, and to these alone.

W. Blume, *Origin and Development of the Directed Verdict*, 48 Mich. L. Rev. 555, 574 (1950). Neither Ogontz nor either of the courts below, however, have ever suggested that petitioners did not present extrinsic evidence supportive of their urged interpretations of the disputed claim terms.[10]

The Seventh Amendment issue is implicated in this case somewhat differently from the manner in which it was raised in *Markman*. In this case the District Court did not usurp the jury's claim interpretation role. Rather, the Seventh Amendment error relates to the "no reexamination of facts" clause as applied in the context of a partial new trial. *See Gasoline Products Co., Inc. v. Champlin Refining Co.*, 283 U.S. 494 (1931).

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[10] The District Court judgment against petitioners cannot be sustained in the manner urged by Judge Rader in *Markman*. 52 F.3d at 998-99.

In a jury case involving disputes as to both infringement and invalidity (anticipation and obviousness), the common question of claim interpretation critical to both issues precludes the trial of infringement and validity to separate juries. *See Witco v. Chemical Corp. v. Peachtree Doors, Inc.*, 787 F.2d 1545 (Fed. Cir.), *cert. denied*, 479 U.S. 877 (1986). The issue is pointedly framed in this case where the unrefuted evidence of record is that Claims 4 and 10 of the '007 patent can not properly be construed to be both valid *and* infringed by Guru Plugs.

The posture of this case is such that the important Seventh Amendment issues presented must be reached in reviewing the judgments below. There is no nonconstitutional ground upon which the judgments below can be upheld.[11] Certiorari should be granted in this case and in the *Markman* case, No. 95-_____, and the cases should be heard in tandem.

IV. The Seventh Amendment Issues Presented In This Case And In *Markman* Have Fully Matured And Are Ripe For This Court's Consideration

All appeals in patent cases are taken to the CAFC. *See* 28 U.S.C. §1295(a)(1). That Court in banc has addressed the role of juries in deciding claim interpretation, and its

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[11] The judgments are unsustainable no matter which way the central Seventh Amendment issue is decided. If claim interpretation is held to be a jury question, the partial new trial on infringement only was inconsistent with *Gasoline Products* and *Witco*. If claim interpretation is a matter of law exclusively for the court, the District Court's failure to interpret the claims for the juries compels a new trial.

divergent views have been fully explicated. Accordingly, further debate on the issue in the CAFC and the lower courts has been foreclosed. Absent grant of review by this Court now, it is unlikely that the issue will be preserved for review in cases tried after the CAFC's *Markman* decision. The Seventh Amendment issues presented in this case have fully matured and are ripe for consideration by this Court. There is no reason for this Court to refrain from definitively resolving the issues now.

V. The CAFC's Excessive And Improper Utilization Of Federal Circuit Rule 36 Constitutes Such A Marked Departure From An Acceptable Course Of Appellate Judicial Procedure As To Call For The Exercise Of This Court's Supervisory Power

The CAFC's utilization of the practice of deciding appeals on the merits without opinion is of relatively recent origin. Upon its establishment in 1982, the CAFC initially adopted a rule that provided for an opinion in all cases:

> **Federal Circuit Rule 18 [1982]** . . . . Disposition of appeals shall be with a published opinion or an unpublished opinion. Opinions which do not add significantly or usefully to the body of law or would not have precedential value will not be published in commercial reports of decisions.

As former Chief Judge Markey noted at the First Annual Judicial Conference of the CAFC:

> [T]he Court agreed at the outset to issue an opinion in every single case decided on the

> merits. Some would be published, and some would not be, but every case would get an opinion and every opinion would tell the loser why he lost.

100 F.R.D. 499, 509 (1983). This policy of sound appellate court practice was consistent with the views expressed on the subject of appellate opinions by the Advisory Council on Appellate Justice of the Federal Judicial Center in FJC Research Series No. 73-2, *Standards For Publication Of Judicial Opinions* (1973):

> One purpose of a judicial opinion is to permit the parties and their attorneys to see that the judges have considered their positions and arguments and to see the reasoning on which the court reached its conclusion. * * *
>
> Still another basis for requiring a written statement of reasons in connection with the disposition of cases relates to the process of deciding cases. Most people find that their thinking is disciplined by the process of written expression. The reduction of ideas to paper, the organization of ideas on paper, significantly affects ultimate decisions; fuzzy thinking is exposed and in the collegial setting of an appellate court, errors are corrected. * * *
>
> . . . We believe that the recommendations in this report promote economy of effort while accommodating the principle that all appellate decisions should be in writing.

The CAFC's original opinion writing practice was also consistent with the recommendations of the Commission

on Revision of the Federal Court Appellate System that "in every case there be some record, however brief, and whatever the form, of the reasoning which impelled the decision." June 1975 Commission Report published at 67 F.R.D. 195, 258 (1975). In the Commission's view, "decision without any explanation . . . provides the litigants and their counsel with less than they are due." *Id.* at 257. Similarly, at the Fourth Annual Judicial Conference of the CAFC, Professor Robert G. Vaughn observed that one of the important values at stake "is the right of a litigant to have some explanation of why the court has decided their case in a particular way. [T]his not only goes to the efficiency of the court but alternately it goes to the authority of the court -- the legitimacy of the acceptance of decisions of the court." 112 F.R.D. 439, 463 (1986).

Fed. Cir. R. 36, App. 51a, which permits summary affirmance without opinion, was adopted in 1989. Former Chief Judge Markey suggested that the rule would be appropriate for use when the criteria are met and there has been an opinion in the district court addressing each of the issues raised on appeal such that "the recipient reads again, if he has to, the affirmed decision below to find out why he lost an appeal." Eighth Annual Judicial Conference of the United States Court of Appeals for the Federal Circuit, 133 F.R.D. 245, 254 (1990).[12]

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[12] There were no District Court opinions in this case regarding the Seventh Amendment or patent-related issues urged on appeal.

The practice of appellate decision without opinion "has been uniformly condemned by commentators, lawyers, and judges." William L. Reynolds & William M. Richman, *The Non-Precedential Precedent -- Limited Publication and No-Citation Rules in the United States Courts of Appeals*, 78 Colum. L. Rev. 1167, 1174 (1978) (footnotes omitted). In a panel discussion at the Ninth Annual Judicial Conference of the CAFC, Judge Avern Cohn of the United States District Court for the Eastern District of Michigan pointedly made the following inquiry of a CAFC judge and fellow panelist:

> [I]f you're going to require us to be rational and explain and justify, why do you reserve to yourself the privilege of simply saying, "Affirmed," for one of five reasons which you don't differentiate when you say "affirmed."

140 F.R.D. 57, 71 (1991). Judge Cohn also expressed the views shared by petitioners and most recipients of Fed. Cir. R. 36 orders: "if I were the litigant I would be very offended at the American legal system that did not give me some explanation." *Id.* at 73.

The circumstances presented in this case and the co-pending case of *United States Surgical Corp. v. Ethicon, Inc.*, No. 94-2081, are unfortunately not isolated aberrations. The lawyers' comments about the CAFC, as found in Volume 2 of the Almanac of the Federal Judiciary (Aspen Law & Business 1995) at p. 2, suggest a widespread problem:

> Another problem that attorneys brought up repeatedly was the overuse of Rule 36 . . . .
>
> Nearly all lawyers interviewed believed the court was using it to duck important issues. * * * "Rule 36 is being used too much. When Rule 36 was initiated it was used in 10 percent of the cases before the court. Now, it is used in 40 percent of the cases." "When they declined to issue an opinion in what I thought was a precedent setting case, it left me cold. I think that they want to dodge controversial cases."

Dissatisfaction with abuses in the summary disposition of appeals without opinion has not been limited to scholarly discussion in law reviews, at judicial conferences and in surveys of CAFC practitioners. Indeed, Fed. Cir. R. 36 has been the specific subject of at least four other petitions for writs of certiorari. *See Astronics Corp. v. Patecell*, No. 92-396, 61 U.S.L.W. 3268, *cert. denied*, 113 S. Ct. 442 (1992); *Intermedics, Inc. v. Ventritex Co., Inc.*, No. 94-222, 63 U.S.L.W. 3190, *cert. denied*, 115 S. Ct. 205 (1994); *CPC International, Inc. v. Archer Daniels Midland Co.*, No. 94-1099, 63 U.S.L.W. 3579, *cert. denied*, 115 S. Ct. 1176 (1995); *United States Surgical Corp. v. Ethicon, Inc.*, No. 94-2081 (filed June 20, 1995). Although the three petitions that have been addressed by the Court set forth cogent reasons as to why Fed. Cir. R. 36 was being abused, and drew amicus support from the District of Columbia Chapter of the Federal Bar Association, The Bar Association of the District of Columbia and the Federal Circuit Bar Association, none of those cases

presented a separate issue of substantive law warranting review by the Court.

One might have hoped that the fact that litigants had sought Supreme Court review regarding Fed. Cir. R. 36 would have tempered its use by the CAFC. Review having been denied, however, the use of Fed. Cir. R. 36 has steadily increased to the extent that in the first six months of 1994, the CAFC affirmed without opinion 44% of all appeals from district courts. *See* Brief for Amicus Curiae Federal Circuit Bar Association, *CPC International, Inc. v. Archer Daniels Midland Co.*, No. 94-1099, reproduced at 4 Fed. Cir. Bar J. 269, 294 (1994).

In this case and the *U.S. Surgical* case, the panels' use of Fed. Cir. R. 36 to avoid application of the *Markman* decision deprived the appellants not only of the benefit of the *Markman* holding, but also of meaningful appellate review of the other issues presented.[13] Moreover, both of these cases present for review extraordinarily important issues regarding the respective roles of judge and jury in connection with patent claim interpretation.

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[13]Petitioners do not ask this Court to decide the merit of the other issues which they presented to the CAFC. Rather, as to those issues, petitioners request a remand with directions that they be reconsidered and decided upon principled analysis. If the Court is not inclined to grant review on the Seventh Amendment issues, it should nevertheless grant the petition, vacate the judgment of the CAFC, and remand the case with instructions to apply the *Markman* holding and address in a principled manner the other issues presented.

In addition to granting review of the Seventh Amendment issues surrounding claim interpretation, the Court should exercise its supervisory jurisdiction to rectify the CAFC's departure from an acceptable course of appellate judicial procedure, and provide guidance as to when, if ever, an appeal from a district court decision can be decided on the merits without opinion. Allowing the abusive practice of summary affirmances without opinion to continue unchecked can only tarnish public confidence in the judicial system and facilitate a diminution in judicial responsibility and accountability.

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted,

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UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

94-1454

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Plaintiffs-Appellants,

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,
Defendants-Appellees.

JUDGMENT

On Appeal from the United States District Court for the Eastern District of Pennsylvania in Civil Action Nos. 86-3374 and 90-2430

This CAUSE having been heard and considered, it is ORDERED and ADJUDGED: AFFIRMED. *See* Fed. Cir. R. 36.

Per Curiam (NEWMAN, *Circuit Judge,* SKELTON, *Senior Circuit Judge,* and RADER, *Circuit Judge*).

ENTERED BY ORDER OF THE COURT

/s/ Francis X. Gindhart
FRANCIS X. GINDHART
Clerk

Dated April 6, 1995

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

ORDER

In an Order dated February 4, 1994, this Court reserved its decision on the issue presented by Plaintiffs that retrial of the infringement issues compel a retrial of the "inextricably intertwined" issues of invalidity pending an opportunity for counsel to be heard in oral argument. The Court has heard oral arguments and upon consideration of written and oral arguments in support and in opposition, IT IS ORDERED that the position taken by Plaintiff considered as a motion is DENIED.

IT IS SO ORDERED this 24th day of March, 1994.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 3-25-94

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

CIVIL JUDGMENT

AND NOW, this 18th day of May, 1994, in accordance with the prior orders of this Court and the verdicts of the juries upon jury interrogatories, it is hereby ORDERED and DECREED that judgment is and shall be entered as follows:

1. Judgment is entered in favor of defendants Ogontz Corporation and Thomas Kenny on all Counts of the Plaintiffs' Complaints in Civil Action Nos. 86-3374 and 90-2430.

2. Judgment in the total amount of $216,846.00 ($191,775.00 plus $25,071.00 prejudgment interest) composed of damage awards plus interests as more particularly set forth in 2a-2j, is entered in favor of Counterclaim Ogontz Corporation on the Counterclaim in Civil Action No. 86-3374, as follows:

a. Ogontz Corporation is hereby declared to be, and to always have been, the sole and exclusive owner of United States Patents Nos. 4,438,777 (the "'777 patent"); 4,460,007 (the "'007 patent"); and Pirkle's marketing of the "MV-1" valve is hereby declared to have infringed the "007 patents';

b. Judgment is entered against Pirkle and Therm-Omega-Tech, Inc., jointly and severally, in the amount of $51,101.00 ($40,573.00 plus $10,528.00 prejudgment interest), for the manufacture and sale of the original "PAK" TYPE Guru Plug which infringes claims 4, 9 and 10 of the '007 patent ($14,834.00 sales plus $6,611.00 prejudgment interest for sales prior to May 10, 1990, and $25,739.00 plus $3,917.00 prejudgment interest for sales after May 10, 1990);

c. Judgment in the amount of $88,792.00 ($85,820.00 plus $2,972.00 prejudgment interest) is entered against Pirkle and Therm-Omega-Tech, Inc., jointly and severally, for their manufacture and sale of the "4H" PAK type Guru Plug which infringes claims 4, 9 and 10 of the '007 patent;

d. Judgment in the amount of $35,011.00 ($34,682.00 plus $329.00 prejudgment interest) is entered against Pirkle and Therm-Omega-Tech, Inc., jointly and severally, for their manufacture and sale of the "4H-R" cartridge version of the Guru plug which infringes claims 4, 9 and 10 of the '007 patent;

e. Judgment in the amount of $21,624.00 ($21,370 plus $254.00 prejudgment interest) is entered against Pirkle and Therm-Omega-Tech, Inc., jointly and severally, for their manufacture and sale of the "4H-R"

PAK type Guru plug which infringes claims 4, 9 and 10 of the '007 patent;

f. Judgment in the amount of $20,318.00 ($9,330.00 plus $10,988.00 prejudgment interest) is entered against Fred L. Pirkle only for his sales of the "MV-1" valve after the issuance of the '007 patent.

3. Judgment is entered in favor of Ogontz on Count II of the Counterclaim in Civil Action No. 90-2430, and Ogontz is hereby declared to be, and to always have been, the sole and exclusive owner of United States Patent No. 4,878,512 (the "'512 patent").

4. Judgment is entered in favor of counterclaim defendants Fred L. Pirkle and Therm-Omega-Tech, Inc. on Counts I and III of the Counterclaim in Civil Action No. 90-2430.

5. Counterclaim defendants will be enjoined in accordance with the Final Injunction Order entered this date.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 5-19-94

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

FINAL INJUNCTION ORDER

AND NOW, this 18th day of May, 1994, effective immediately and continuing through and including July 17, 2001, counterclaim defendants are hereby enjoined and restrained as follows:

1. Counterclaim defendants Therm-Omega-Tech, Inc. and Fred L. Pirkle, their owners, subsidiaries, affiliates, officers, employees, agents, successors, assigns, and all persons acting in concert with them, are hereby enjoined and restrained from directly or indirectly making, using or selling, without the authorization of Ogontz Corporation, the "MV-1" freeze protection valve, which has been adjudged to infringe United States Patent No. 4,460,007 (the "'007 patent"), and all colorable imitations thereof; and the original and "4H" Guru Plug Cartridge in the "PAK assembly and the "4H-R" guru plug cartridge alone and/or in the PAK, FL, CH, S, and/or T assemblies, which have been adjudged to infringe the

following claims of the '007 patent, and all colorable imitations thereof:

Claim 4. A valve mechanism comprising:

a valve body with at least two ports and a movable closure element arranged to control flow of a fluid from one of said ports to another of said ports, said closure element being movable along an axis between a first valve position in which flow from one of said ports to the other is shut off and a second valve position in which flow from one of said ports to the other is permitted;

an actuator comprising an actuator body and an actuator element movable in relation to said actuator body;

means, secured to the valve body, providing a latching surface;

stem means slidable along said axis, the stem means being connected to the actuator body and to the closure element whereby the actuator body moves with the closure element;

latch means, carried by the stem means and engageable with the latching surface providing means, for holding the valve element in one of said valve positions; and

means for urging the stem means in a direction to move the valve element toward the other of said valve positions;

said latch means being engaged with the movable actuator element and being responsive to a predetermined movement thereof in relation to the actuator body for disengagement with the latching surface, whereby said urging means can operate to move the valve element toward said other of said valve positions, and

including:

sleeve means secured to the valve body, said sleeve means having an internal passage extending along said axis, and said passage having an internal surface;

and in which:

the actuator element is movable in relation to the actuator body along said axis;

the stem means extends through the sleeve means; and

the latch means comprises [comprises]: an axial passage in

the

stem means, detent means carried by the stem means and held thereby against axial movement with respect to the stem means, and cam means, movable axially within the axial passage of the stem means, for urging the detent means outwardly so that it protrudes to a position in which it is capable of engaging the latching surface, the cam means being movable from a first cam position in which the detent means protrudes to a second position in which the detent means can retract, and having a camming surface for urging the detent means in its protruding direction;

the means providing a latching surface being a step on the internal surface of the sleeve, said step being cooperable with the detent means to prevent movement of the stem means by the urging means in said direction along said axis, said step being of a shape such that movement of the stem means in said one direction causes the detent means to move inwardly when

inward movement is permitted by said cam means and;

means connected to said actuator element and said cam means for moving the cam means from said first cam position to said second cam position in response to movement of the actuator element in one direction, whereby the detent means is moved inwardly by the step means of the sleeve and the stem is moved in said one direction by said urging means causing the closure element to move from one of said first and second valve positions to the other.

Claim 9. A valve mechanism comprising:

a valve body with at least two ports and a movable closure element arranged to control flow of a fluid from one of said ports to another of said ports, said closure element being movable along an axis between a first valve position in which flow from one of said ports to the other is shut off and a second valve position in which flow from one of said ports to the other is permitted;

an actuator comprising an actuator body and an actuator element movable in relation to said actuator body, the actuator being at a location remote from the fluid controlled by the valve mechanism;

means, secured to the valve body, providing a latching surface;

stem means slidable along said axis, the stem means being connected to the actuator body and to the closure element whereby the actuator body moves with the closure element;

latch means, carried by the stem means and engageable with the latching surface providing means, for holding the valve element in one of said valve positions; and

means for urging the stem means in a direction to move the valve element toward the other of said valve positions;

said latch means being engaged with the movable actuator element and being responsive to a predetermined movement thereof in relation to the actuator body for disengagement with the latching surface, whereby said urging means can operate to move the valve element toward said other of said valve positions, and in which the actuator is a temperature-responsive actuator and in which said stem means has a heat-conductive housing surrounding at least a substantial part of the actuator, and said stem means includes means providing a heat-conductive path for conducting heat from fluid within the valve body to said heat-conductive housing.

Claim 10. A valve mechanicsm comprising:

a valve body with at least two ports and a movable closure element arranged to control flow of a fluid from one of said ports to another of said ports, said closure element being movable along an axis between a first valve position in which flow from one of said ports to the other is shut off and a second valve position in which flow from one of said ports to the other is permitted;

an actuator comprising an actuator body and an actuator element movable in relation to said actuator body;

means, secured to the valve body, providing a latching surface;

stem means slidable along said axis, the stem means being connected to the actuator body and to the closure element whereby the actuator body moves with the closure element;

latch means, carried by the stem means and engageable with the latching surface providing means, for holding the valve element in one of said valve positions; and

means for urging the stem means in a direction to move the valve element toward the other of said valve positions;

said latch means being engaged with the movable actuator element and being responsive to a predetermined movement thereof in relation to the actuator body for disengagement with the latching surface, whereby said urging means can operate to move the valve element toward said other of said valve positions, and including:

sleeve means secured to the valve body, said sleeve means having an internal passage extending along said axis, and said passage having an internal surface;

and in which:

the actuator element is movable in relation to the actuator body along said axis;

the stem means extends through the sleeve means; and

the latch means comprises: an axial passage in the stem means, a plurality of radial passages in the stem means, each of said radial passages having a ball detent held therein against axial movement with respect to the stem means, and cam means, movable axially within the axial passage of the stem means, fur urging the ball detents outwardly so that they protrude through their radial passages beyond the exterior of the stem means to positions in which they are capable of engaging the latching surface, the cam means being movable from a first cam position in which the ball detents protrude to a second position in which the ball detents can retract, and having a camming surface for urging the ball detents in their protruding direction;

the means providing a latching surface being a step on the internal surface of the sleeve, said step being cooperable with the ball detents to prevent movement of the stem means by the urging means in said direction along said axis, said step being of a shape such that movement of the stem means in said one direction causes the ball detents to move inwardly when inward movement is permitted by said cam means; and

means connected to said actuator element and said cam means for moving the cam means from said first cam position to said second cam position in response to movement of the actuator element in one direction, whereby the ball detents are moved inwardly by the step means of the sleeve and the stem is moved in said one direction by said urging means causing

the closure element to move from one of said first and second valve positions to the other.

2. In addition, until such time as Ogontz has been fully compensated for all of the damages specified in paragraph 2 of the Civil Judgment entered this date and attached hereto plus any additional postjudgment interest, costs and attorneys fees assessed by the Court, plaintiffs are enjoined from aiding or abetting any other party's making, using or selling any of the devices specified herein, by providing spare parts, testing, repairing, refurbishing, rebuilding, consulting or otherwise.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 5-19-94

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

MEMORANDUM

GREEN, S.J. **MAY 18, 1994**

I. Findings of Fact

Two juries have answered interrogatories in the form agreed to by counsel for the parties. The answers to the interrogatories establish that none of the claims of Patent No. 4,460,007 (the " '007 patent") are invalid. The first jury found that Ogontz Controls Company had not committed inequitable conduct upon the Patent and Trademark Office. The first jury also found that Counterclaim Defendants' MV-1 valve infringed the '007 patent and determined the amount of damages to be awarded.

The second jury found that the accused devices infringed certain claims of the '007. More specifically, the second jury determined the following:

1. The original PAK type Guru Plug infringes

claims 4, 9 and 10 of the '007 patent.

2. The 4-H PAK version of the Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

3. The 4H-R cartridge version of the Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

4. The 4H-R PAK version of the Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

There is substantial evidence of record to support the findings of the juries. Accordingly, as requested by Ogontz I find:

1. None of the claims of the '007 patent are invalid.

2. The MV-1 valve infringes the '007 patent.

3. The original PAK type Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

4. The 4H PAK version of the Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

5. The 4H-R cartridge version of the Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

6. The 4H-R cartridge version of the Guru Plug infringes claims 4, 9 and 10 of the '007 patent.

I deny as stated the Request for Findings of Fact submitted by Counterclaim Defendants.

II. Conclusions of Law

In this case, the legal issues have been tried to a jury and the equitable issues have been reserved for the Court. I have heard all of the evidence presented to the juries and conclude that there is substantial evidence to support the findings of the juries. Moreover, I conclude that said findings are not infirm and adopt the findings as the verdict. The Third Circuit Court of Appeals stated in *Roebuck v. Drexel*, 852 F.2d 715 (3d Cir. 1988) the following:

> The Supreme Court has stated quite clearly that where there are "separate and district statutory provision[s]," one of which authorizes legal relief and one which authorize equitable relief, "if a 'legal claim is joined with an equitable claim, the right to jury trial on the legal claim, including all issues common to both claims, remains intact.' " *Tull v. United States*, 481 U.S. 412, 425, 107 S.Ct. 1831, 1839 (1987)...A trial judge should not be allowed to ignore a considered decision of a jury merely because the judge views the issues differently, for otherwise the Seventh Amendment right to a jury trial would be significantly attenuated. *Id.* at 737.

The Third Circuit Court of Appeals in *Andrews v. City of Philadelphia*, 895 F.2d 1469, 1483 (3d Cir. 1990) further held that "in all issues which are common to a claim tried simultaneously to the bench and to a jury, the court is bound by the jury's findings."

The state court has determined that Ogontz is the owner of the '007 patent. Certain accused devices have been found to infringe certain claims. Thus, this is an appropriate case to award injunctive relief. All the prerequisites for injunctive relief have been clearly established. Moreover, a jury has determined that no inequitable conduct was committed in obtaining the patents and the record is devoid of evidence of misuse of the '007 patent by Ogontz. After hearing arguments from Counterclaim Defendants on the issue, I will grant an injunction in the form discussed at said hearing.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 5-19-94

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

JUDGMENT

AND NOW, this 7th day of July, 1994, as a supplement to the Civil Judgment dated May 18, 1994 and in accordance with the verdict of the jury upon jury interrogatories, IT IS ORDERED that judgment is entered that the original guru plug cartridge (including the "T", "FL", "S" and "CH" applications) does not infringe claims 1, 2, and 3 of the '007 patent. IT IS FURTHER ORDERED that judgment is entered that the "4-H" cartridge version of the guru plug does not infringe claims 1, 2, and 3 of the '007 patent.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 7-8-94

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

ORDER

AND NOW, this 28th day of July, 1994, upon consideration of Counterclaim Defendants' Post-Trial Renewal of their Motion for Judgment as a Matter of Law on the Counterclaim in Civil Action No. 86-3374 or in the Alternative, Motion for New Trial, response thereto, the oral argument thereon, the record including requests for jury instructions, the instructions given to the jury, and the Court's prior rulings on matters of law, IT IS ORDERED that Defendants' motions are DENIED.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 7-28-94

UNITED STATES DISTRICT COURT FOR
THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action No. 86-3374

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

MEMORANDUM - ORDER

GREEN, S.J. JULY 8th, 1992

The plaintiffs in this action present a variety of claims, both federal and state. However, the central controversy in the litigation is the question of who, as between plaintiff Fred L. Pirkle ("Pirkle") and defendant Ogontz Controls Company ("Ogontz"), owns the patent rights in or to a certain type of industrial valve manufactured and sold by both of them.

Plaintiff Pirkle, joined by Therm-Omega Tech, Inc., has filed an eight-count complaint against Ogontz and its president, Thomas M. Kenny, Jr., charging them with patent infringement, violations of federal antitrust laws, and the commission of actionable wrongs under the laws of Pennsylvania. The state claims are addressed to this court's pendent jurisdiction.

The defendants have responded to the complaint with an answer containing nine affirmative defenses, including an assertion that Ogontz, not Pirkle, is the owner of the patent rights in issue. As to other of the plaintiffs' counts, the defendants contend that the allegations fail to state claims upon which relief can be granted. Ogontz, on its behalf, included a counterclaim charging Pirkle with patent infringement.

The defendants have filed motions seeking either summary judgment or judgment on the pleadings with respect to the various counts in the plaintiffs' complaint. Defendant Ogontz has also moved for summary judgment on its counterclaim. The plaintiffs, besides responding in opposition to the defendants' motions, have also filed cross-motions for summary judgment as to some of the counts in their complaint.

To resolve the competing motions for summary disposition, consideration must begin with background of the matter, which in this instance, includes a prior and concurrent legal history in another court.

BACKGROUND

For purposes of the present case, it can be said that the relationship between Fred L. Pirkle and the Ogontz Controls Company began in January, 1979, when he took employment with that company. At that time Ogontz was, as it is now, in the business of designing, manufacturing, and selling various types of industrial valves. One of its products in particular, the "Harasewych" valve, was useful for draining the fluid systems of railroad locomotives. Consequently, Ogontz had railroad corporations as customers. Ogontz's Harasewych valve was the subject of

United States Patent No. 4,361,167. Pirkle's first job with Ogontz was as Gulf States Regional Sales Manager, with emphasis on selling the company's railroad valve.

Upon being hired by Ogontz, Pirkle, during his employment, executed an employment contract which included, in substance, the following provisions:

(1) Any and all inventions or improvements which the Employee shall make, during the term of his employment, that are within the Company's business, shall be the exclusive property of the Company.

(2) The Employee agrees to promptly and fully disclose to the Company all such improvements.

(3) The Employee shall assign to the Company all Letters Patent for any inventions made as aforesaid.

(4) The Employee shall not make any use of any information of a technical or secret nature, gained by reason of employment with the Company, relating to any product, process, device, or machine developed or experimented upon by or for the Company.

Shortly after Pirkle began working for Ogontz, he became aware of certain technical and mechanical problems with the company's railroad-locomotive valve. In 1980 he was assigned to work on improvements or modifications to solve the problems, and continued in that task during the fall of 1981-1982.

About October 9, 1982, Pirkle terminated his employment with Ogontz. Two months later, in December 1982, he formed his own corporation, Control Consultants, Inc., through which he soon began to manufacture and sell a snap-acting, locomotive drainage

valve, called the "MV-1." In March of 1983 Pirkle applied to the United States Patent Office for patents covering the device he was producing.

At some point in the spring of 1983, Ogontz became aware of the valve that Pirkle had begun to manufacture and sell to the railroad industry, especially to Conrail, Ogontz's principal customer. When Ogontz examined Pirkle's MV-1 valve, the company concluded that Pirkle had created his valve while employed at Ogontz, and that he had exploited Ogontz's technology and trade secrets in doing so.

In September, 1983, Ogontz commenced an equity action in the Court of Common Pleas of Chester County, Pennsylvania, seeking to enjoin Pirkle from manufacturing or selling the MV-1 valve. Ogontz claimed breach of contract and misappropriation of trade secrets, alleging that Pirkle had conceived, developed and produced the MV-1 pursuant to his contract of employment with Ogontz and during his tenure at that company. Ogontz also alleged that the MV-1 valve, which Pirkle called his property, was, pursuant to the employment contract, the property of Ogontz.

On September 23, 1983, the trial court, after having conducted hearings in the case, entered an adjudication in favor of Ogontz. The court found that the Pirkle valve was an improvement upon Ogontz's valve, and that Pirkle had designed the improvement and constructed a prototype of it while in the employ of Ogontz. The court accordingly concluded that the improvement, the MV-1, was encompassed by Pirkle's employment agreement with the company, and that the mechanism was the property of Ogontz.

As a result of those findings the Common Pleas Court, by an order dated September 29, 1983, entered a preliminary injunction prohibiting Pirkle from using, exploiting, or profiting from the so-called MV-1 snap-acting drainage valve. This order was a continuation of a preliminary injunction the court had granted when Ogontz's suit was first filed.

In response to the order of September 29, 1983, Pirkle took an appeal to the Superior Court of Pennsylvania. On June 8, 1984, the Superior Court entered a judgment vacating the injunction on procedural grounds, and remanding the matter to the trial court so that Pirkle could present further evidence. *Ogontz Controls Co. v. Pirkle*, 329 Pa. Super. 8, 477 A.2d 876 (1984).

During the period of the above mentioned litigation, Ogontz had embarked upon a program of manufacturing and selling its own version of a snap-acting drainage valve, called the "QR". It is also to be noted that on March 27, 1984, shortly before the Superior Court's remand order, Pirkle was issued United States Patent No. 4,438,777. On July 17, 1984, he was also issued Patent No. 4,460,007. Both of those patents relate to Pirkle's MV-1 valve.

Upon remand of the equity action, the Court of Common Pleas scheduled a hearing to allow Pirkle to introduce testimony or any other relevant evidence. However, Pirkle decided not to present any further evidence, and stated that he would rely on the record as then constituted; although, he did advance legal arguments in opposition to Ogontz's case.

On May 9, 1985, the Court of Common Pleas of Chester County reinstated the preliminary injunction against Pirkle, reiterating the findings and conclusions it

had made before. Pirkle took a second appeal to the Superior Court; but on that occasion the decision of the trial court was affirmed, by a judgment dated September 6, 1985. *Ogontz Controls Co. v. Pirkle*, 346 Pa. Super. 253, 499 A.2d 593 (1985). On July 14, 1986, the Pennsylvania Supreme Court denied Pirkle's petition for further review. On October 31, 1988, the Chester County trial court overruled Pirkle's exceptions to its final adjudication, and entered an order making its previous decree nisi a final judgment in the Ogontz-Pirkle matter before it. The Pennsylvania Superior Court, following an appeal thereto by Pirkle, entered a memorandum opinion dated January 16, 1990, affirming the trial court's final judgment. *Ogontz Controls v. Pirkle*, 399 Pa. Super. 654, 573 A.2d 1163 (1990). In affirming, the Superior Court rejected each of the six assignments of error Pirkle had raised in his appeal to that tribunal. After the Superior Court denied reargument, Pirkle next sought review by the Supreme Court of Pennsylvania.[1] The state Supreme Court denied that petition on September 5, 1990. *Ogontz Controls Co. v. Pirkle*, 527 Pa. 648, 593 A.2d 421 (1990). In view of the action by the Supreme Court of Pennsylvania, I entered an order on September 27, 1990, vacating an earlier order and returning this case to the active docket.

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[1] On May 10, 1990, shortly after the Superior Court had denied reargument, Pirkle formally transferred to Ogontz all of his right, title, and interest in United States Patents Nos. 4,438,777 and 4,460,007, in keeping with the mandate of the Chester County court.

THE PRESENT ACTION

Pirkle's complaint in this court, after identifying the parties and the jurisdictional basis for the action, proceeds through a series of "general averments" to eight separate counts for relief against the defendants, Ogontz and Kenny. Defendants move for judgment on the pleadings or in the alternative summary judgment as to all counts of plaintiffs' complaint and as to its counterclaim.

LEGAL DISCUSSION

A. *Defendants' Motion for Summary Judgment as to Plaintiffs' Count I (Patent infringement) and Count VIII (declaratory judgment).*

In Count I of the complaint Pirkle puts forth his claim that defendants Ogontz and Kenny are liable to him for patent infringement. This claim begins with Pirkle's averment that he is the inventor of the MV-1 valve, and emphasizes that he is the recipient of two United States patents, No. 4,438,777 and No. 4,460,007, covering that device. According to Pirkle's complaint he has been, at all times material to this suit, the owner of the two patents. In charging Ogontz and Kenny with patent infringement, Pirkle alleges that Ogontz's "QR" valve is an unlicensed copy of his MV-1, and that the defendants continue to manufacture, sell and repair the QR valve without regard to his patent rights. On his claim of patent infringement Pirkle seeks relief in the form of treble damages, costs, and attorney fees. In Count VIII, Pirkle also prays for the entry of a declaratory judgment that he is the owner of the MV-1, and that defendant Ogontz has

no legal rights in the device or the two patents covering it. Plaintiff has filed a proposed order consenting to the dismissal of Counts I and VIII, without prejudice. Defendants oppose dismissal without prejudice. I will deny entry of the requested consent order.[2]

It is clear that Counts I and VIII of the complaint involve the single question of who, as between plaintiff Pirkle and defendant Ogontz, owns the MV-1 valve and the patent rights regarding it. The defendants assert that the judgment in the state-court action, favorable to Ogontz's claim of ownership, precludes Pirkle from relitigating that issue in the present action. I agree with that position and, consequently, that the defendants are entitled to summary judgment on Counts I and VIII of the plaintiffs' complaint.

Generally, a final judgment on the merits of an action precludes the parties or their privies from relitigating issues that were or could have been raised in that action. *See, e.g., Allen v. McCurry*, 449 U.S. 90, 94 (1980).

By force of the federal "full-faith and credit" statute, 28 U.S.C. § 1738, a federal court is required to give the judgment of a state court the same preclusive effect the judgment would have under the law of the state in which the judgment was rendered. *McDonald v. West Branch*, 466 U.S. 284, 287 (1984); *Migra v. Warren City School District Board of Education*, 465 U.S. 75, 80-81 (1984); *Allen v. McCurry, supra*. Accordingly, reference must be had to the law of Pennsylvania to determine the

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[2] I advised counsel at the close of an earlier hearing that I intended to grant summary judgment as to Counts I, IV and VIII.

preclusive effect of the judgment rendered by the state trial court that Ogontz, not Pirkle, was the owner of the MV-1 valve and the patent rights.

Pirkle's instant claim for patent infringement, though not the same as the contractual cause of action litigated in the state court, turns on the issue of who owns the patent rights for the MV-1 valve. Thus, if the judgment rendered by the Court of Common Pleas of Chester County has a preclusive effect under the law of Pennsylvania, then it must be so treated here; and the judgment will defeat Pirkle's instant action for patent infringement and his prayer that this court declare him the owner of the device and the patents involved.

Under the law of Pennsylvania the doctrine of collateral estoppel or issue preclusion applies if five elements are present: (1) the issue decided in the prior case is identical to one presented in the later case; (2) there was a final judgment on the merits; (3) the party against whom the doctrine is asserted was a party or in privity with a party in the prior case; (4) the party or person privy to the party against whom the doctrine is asserted had a full and fair opportunity to litigate the issue in the prior proceeding; and (5) the determination in the prior proceeding was essential to the judgment. *City of Pittsburgh v. Zoning Board of Adjustment*, 522 Pa. 44, 559 A.2d 896 (1989); *see also Schubach v. Silver*, 461 Pa. 366, 336 A.2d 328 (1975); *Pilgrim Food Products Co. v. Filler Products, Inc.*, 393 Pa. 418, 143 A.2d 47 (1958). The fourth requirement, *i.e.*, that the party against whom collateral estoppel is asserted must have had a "full and fair opportunity" to litigate the issue in the earlier case, is also one that federal standards require for giving a prior judgment preclusive effect.

Allen v. McCurry, *supra*, at 95; *see Montana v. United States*, 440 U.S. 147, 153-154 (1979).

The defendants herein, Ogontz and Kenny, argue, of course, that all five of the elements required by Pennsylvania law for application of the doctrine of collateral estoppel are present with regard to the judgment Ogontz obtained in the state trial court. In asserting that the judgment was final, the defendants point to the fact that the judgment was affirmed on the merits by the Superior court of Pennsylvania, and that the State Supreme Court denied further review. The defendants also maintain that, given the number of hearings the common pleas court conducted in the trial of Ogontz's contract action, it must be concluded that Pirkle had numerous opportunities to present evidence and litigate that case on the merits.

The plaintiffs in the instant case dispute that the state judgment can be treated as final. They also contend that in the proceedings before the state trial-court Pirkle was not given a "full and fair opportunity" to litigate the issues of that case. As the basis for both of those arguments, the plaintiffs assert that the judgment rendered by the Court of Common Pleas of Chester County was obtained by fraud or fraud on the court.

The claim of fraud has the following components: The plaintiffs begin with an allegation that prior to the final hearing before the common pleas court, Ogontz represented that it would call as a witness one Norman Cooper, then a company vicepresident, for the purpose of testifying that Pirkle had shown him a prototype of the MV-1 at a time when Pirkle was still in the employ of Ogontz. Apparently, Ogontz decided not to call Cooper

as a witness during the final hearings; however, he had given the indicated testimony at an earlier stage of the case. According to the plaintiffs' fraud argument, Ogontz's failure to call Cooper to the witness stand during the final hearings deprived Pirkle of the opportunity to conduct a final cross-examination of him. The plaintiffs also contend that Pirkle was dissuaded from calling Cooper as his witness because of Ogontz's representation of what Cooper's testimony would have been. Under the plaintiffs' fraud argument, their foregoing assertions relative to Norman Cooper take on a special significance because of a further allegation by the plaintiffs: that Cooper, subsequent to the final adjudication, told Pirkle that had he been called to testify in the final proceedings he would have stated that the prototype device Pirkle had shown him was for a valve other than the MV-1.

In challenging the applicability of collateral estoppel, the instant plaintiffs use their claim of fraud for two purposes, to dispute that the state-court judgment had become final and to argue that they had been denied a "full and fair opportunity" to litigate the issues in the state proceeding. However, with regard to the element of finality, the claim of fraud does not go to that question. When the Pennsylvania Supreme Court denied further review after the Superior Court had affirmed the judgment on the merits, the state proceedings in the Ogontz-Pirkle matter came to an end; and the judgment rendered by the state trial court became final. *Bearoff v. Bearoff Bros., Inc.*, 458 Pa. 494, 327 A.2d 72 (1974); *see Ducruesne Light Co. v. Barasch*, 488 U.S. 299 (1989). As for the claim of fraud itself, the allegations underlying it are all matters that were considered by the state trial-

court and the Superior Court, and rejected by both as being meritless. In the Superior Court's view, Pirkle's attempt to gain relief on the basis of the alleged post-judgment recantation of Norman Cooper was an invalid attempt to impeach a judgment with questionable after-discovered evidence. For those reasons, I reject the claim of fraud presented here.

I further conclude that the state-court judgment discussed herein meets all the requirements to give it the effect of collateral estoppel in the present case. Consequently, that doctrine operates to defeat Counts I and VIII of the plaintiffs' complaint, and entitles the defendants to summary judgment in that regard.

B. *Defendants' Motion for Judgment on the Pleadings or Summary Judgment as to Plaintiffs' Counts II and III (Sherman Act violations).*

In Count II of the complaint Pirkle and Therm-Omega join in asserting that the defendants have violated § 2 of the Sherman Antitrust Act by monopolizing or attempting to monopolize a part of interstate trade or commerce. The central allegation in the count is that Ogontz had a "dominant position within the railroad market for mechanical freeze-protection valves," and was attempting to preserve or enhance that dominance by gaining exclusive control of Pirkle's invention.

To identify the particular overt acts of the defendants by which they allegedly violated § 2 of the Sherman Act, the plaintiffs simply incorporate by reference the conduct alleged in paragraphs 13 through 18 of the general averments of the complaint. Those allegations are that

Ogontz and Kenny "wrongfully engaged in a series of actions for the purpose of appropriating unto themselves the MV-1 invented and owned by Pirkle;" and that those two defendants have "wrongfully and maliciously acted to deprive Pirkle of his property rights in the MV-1 and to prevent the manufacture and sale of the MV-1 by Pirkle so as to maintain Ogontz' dominance in the market." Also included as part of the basis for this antitrust claim are the plaintiffs' allegations that Ogontz and Kenny defamed them commercially, that the defendants tortiously interfered with the plaintiffs' contractual rights and prospective contractual advantages, that the defendants abused the process of the Chester County court to discover the confidential contents of Pirkle's patent applications, and that the defendants are offering for sale a pirated copy of Pirkle's MV-1.

Alleging that they have been directly injured in their business and property as a result of the defendants' acts, the plaintiffs' demand under Count II is for treble damages, costs, and attorney fees.

Count III is also a Sherman Act claim by the plaintiffs against both defendants, but is based on § 1 of that statute. The principal assertion of this count is that plaintiff Therm-Omega and defendant Ogontz are both in the business of repairing and refurbishing freeze-protection locomotive valves, and that Ogontz and Kenny have "acted to restrain trade and commerce" not only with regard to the manufacture and sale of freeze-protection valves, but also as to their repair and refurbishing. For purposes of this count, the plaintiffs incorporate all of the allegations used in the antitrust claim, and add that "[t]he conduct of Ogontz and Kenny . . . is an unlawful and

unreasonable restraint of trade and constitutes a violation of unreasonable restraint of trade and constitutes a violation of Section One of the Sherman Act . . . ."

As to Counts II and III of plaintiff's complaint, defendants move for judgment on the pleadings or in the alternative for summary judgment. The complaint standing alone does not adequately allege the necessary elements for violation of Sections 1 and 2 of the Sherman Act. However, I will deny judgment on the pleadings because the complaint when considered together with the proposed pretrial order submitted by counsel is an adequate pleading of the causes of action.

It is clear that as to both Counts II and III plaintiffs have not offered evidence of unlawful anti-competitive conduct on the part of defendants that caused injury to plaintiffs.

In regard to Count III, the Sherman Act § 1 claim, Pirkle concedes that he cannot prevail on the theory clearly expressed in the complaint that Kenny an employee of Ogontz conspired with Ogontz in restraint of trade. Pirkle recognizes that a corporation generally cannot conspire with its employee. *Tose v. First Pennsylvania Bank*, 648 F.2d 879, 893 (3d Cir. 1981). Pirkle now claims that the thrust of his conspiracy theory is that the Pirkle-Ogontz post-employment agreement "was an illegal combination upon which Ogontz and Kenny relied to restrain trade." Plaintiffs cite to *Bravman v. Bassett Furniture Industries. Inc.*, 552 F.2d 90 (3d Cir.) *cert. denied*, 434 U.S. 823 (1977) as support for this theory. However, *Bravman* offers no support to Pirkle's theory where, as here, plaintiffs offer no evidence of an unlawful anti-competitive use of the employment agreement.

C. *Defendants' Motion for Summary Judgment as to Count IV (wrongful use of civil proceedings).*

In Count IV, Pirkle avers that Ogontz's equity suit in the Court of Common Pleas of Chester County was a wrongful use of civil proceedings. In support of this count Pirkle alleges that Ogontz and Kenny filed the Chester County action without probable cause, in bad faith, and solely to vex Pirkle. Count IV of the complaint alleges a claim under Pennsylvania law for wrongful use of civil procedure. An element of the tort is that the proceeding must finally have ended in plaintiffs' favor.[3] Plaintiffs in their brief in opposition appear to concede that the state court action did not terminate in their favor. However, plaintiffs now argue that the wrongful proceeding was not the entire state court action but only the institution of proceedings for preliminary injunctive relief. Plaintiffs claim that it is significant that the final state order did not include an injunction. Even when that claim is viewed in the light most favorable to plaintiffs it is clear that the preliminary injunction proceeding ended in defendants' favor. During the litigation, plaintiffs were subject to the restraints of the preliminary injunction. Moreover, the final order in state court provided complete relief in favor of Ogontz, and it is of no legal significance that it was styled a decree and not an injunction.

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[3] The common law tort of wrongful use of civil procedure is now codified at 42 Pa. Cons. Stat. Ann. § 8531 (Purdon 1980).

D. *Defendants' Motion for Summary Judgment as to Count V (abuse of process).*

Count V of the complaint charges Ogontz with misusing state court discovery to wrongfully obtain Pirkle's confidential patent application and the use of said material to file its own patent applications which resulted in reissue patent '512 which is the subject of additional litigation in this court in Civil Action 90-2430.

Ogontz argues that the abuse of process claim is time barred by Pennsylvanians applicable two year statute of limitations found at 42 Pa. Cons. Stat. Ann. § 5524. Also, Ogontz argues that the patents which were the subject of the state court litigation rightfully belonged to Ogontz and that ownership in Ogontz has been finally decided by the state court judgment. Pirkle apparently concedes that a claim for use of the material more than 2 years before filing this suit is time barred. However, Pirkle now contends that the alleged "continuing perversion of the process" is not time barred. Defendants are entitled to summary judgment even as to any continuing use of the material because, as found by the state court, ownership of the patents and related information belonged to Ogontz. Moreover, Pirkle was at all times contractually obligated to disclose the same.

E. *Motion for Summary Judgment as to Counts VI and VII (state law defamation and tortious interference with contracts).*

Defendants claim that their communications to others concerning their state court claims of ownership of the patents were truthful and privileged. I cannot decide on

this record that there is not a genuine issue of material fact as to these matters; and, therefore, summary judgment will be denied as to Counts VI and VII.

F. *Defendant-Counterclaimant Ogontz's Motion for Summary Judgment (patent infringement).*

Ogontz, having established its ownership of the patents in question, would be entitled to recover from the plaintiffs for infringement by their marketing of the MV-1. The state court granted extensive remedies to Ogontz including a requirement that Pirkle assign the patents and account for any preassignment profits realized from marketing the MV-1. The record at this time does not contain evidence of post-assignment marketing. I conclude that Ogontz is entitled to a declaration that the plaintiffs' marketing of the MV-1 infringed United States Patents Nos. 4,483,477 and 4,460,007, which are owned by Ogontz. Additional remedies may be applied for by Ogontz.

An appropriate order follows.

ORDER

AND NOW, this 8th day of July, 1992, the following is ORDERED:

1. Defendants' motion for judgment on the pleadings (Docket # 133) is DENIED.

2. Defendants' motion for summary judgment (Docket # 133) is GRANTED and judgment will be entered in favor of defendants as to Counts I, II, III, IV, V and VIII of plaintiffs' complaint. Summary judgment is DENIED as to Counts VI and VII.

3. Defendant-counterclaimant's motion for summary judgment on the counterclaim is GRANTED and a declaration will be entered that defendant-counterclaimant is the owner of United States Patents Nos. 4,483,477 and 4,460,007. It will further be declared that plaintiffs' marketing of the MV-1 valve infringes said patents. Further relief, if any, is DEFERRED pending additional briefing and/or hearing.

4. Plaintiffs' request that the court enter an order consented to by plaintiffs to dismiss without prejudice Counts I and VIII is DENIED.

5. Defendants' motion to strike certain portions of plaintiffs' answer to the amendment to the counterclaim in the nature of affirmative defenses (Docket # 139) is DENIED.

6. Plaintiffs' motion to strike defendants' supplemental submission in support of motion for summary judgment (Docket # 147) is DENIED.

7. As to Counts VI and VII, discovery is reopened until September 21, 1992; on or before September 30, 1992 the parties shall file a joint supplement to the previously filed Proposed Final Pretrial order to reflect events that may have occurred, relevant to Counts VI and VII of the complaint, since the filing of the Proposed Final Pretrial Order. The Deputy Clerk is ORDERED to schedule this matter for trial during October 1992.

8. The counts open for trial are consolidated for discovery and trial with the counts open for trial in Civil Action 90-2430.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 7-9-92

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action No. 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

MEMORANDUM and ORDER

GREEN, S.J. **JULY 8th, 1992**

Pending before the court are motions, pursuant to Fed. R. Civ. P. 56 (c), for summary judgment of plaintiffs as to Count II of the Complaint and Count II of the Counterclaim and of defendant-counterclaimants as to Counts I, II, and III of the Complaint and Count II of the Counterclaim.[1]

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[1] In Count II of the Complaint, plaintiffs seek a declaratory judgment to the effect that they are the rightful owners of the disputed patent. Count I is a claim of alleged patent infringement on the part of defendants, and Count III encompasses various Pennsylvania state law causes of action, including tortious interference with contract and prospective contractual relations, misappropriation of valuable property rights, disparagement of title, and unfair competition. Count II of the Counterclaim is a request for declaratory judgment of ownership of the '512 patent in defendants' favor.

I. Facts

In dispute in this case is the ownership of a patent issued by the Patent and Trademark office ("PTO") to defendant Ogontz Controls ("Ogontz") as a continuation patent, serial number 4,878,512 ("'512 patent"), of a parent patent, serial number 4,460,007 ("'007 patent"). At the time of the filing of the continuation application, ownership of the '007 patent was already the subject of protracted litigation between the parties in the Pennsylvania state court and in this court in a related case, Civil Action 86-3374.[2]

During the course of the state court litigation, the PTO examiner, rather than risk the possibility of inconsistent judicial determinations on the ownership issue, suspended the prosecution of the continuation application until the state court reached a decision on the ownership of the '007 patent. *See* Defendants' Ex. A-12, Letter of PTO Notifying Ogontz of Suspension of Patent Prosecution, dated 5/29/86. On October 30, 1987, the Court of

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There is also pending a motion by plaintiffs to vacate the court's order staying discovery as to Count III of the Complaint.

[2] A more detailed account of the factual background and procedural history of the litigation between the parties is set forth in a memorandum-order filed today in civil action 86-3374.

Pirkle appealed the lower court's decision, which was subsequently affirmed by the Pennsylvania Superior Court. On March 29, 1990, the State Supreme Court of Pennsylvania denied Pirkle's application for reargument or reconsideration. Thereafter, on May 10, 1990, Pirkle, pursuant to court order, assigned to Ogontz' exclusive and complete ownership rights to the subject matter of the '007 and '777 patents.

Common Pleas of Chester County entered a final decree in favor of Ogontz as owner of the '007 patent. The court held as follows:

> Pirkle, individually and trading as Controls Consulting Company, is hereby ordered and directed to transfer and assign to the Plaintiff . . . all the Defendant's right, title, and interest in and to United States Patents Nos. 4,438,777 and 4,460,007, and to execute all instruments necessary to perfect such transfer and assignment. *Decree nisi*, October 30, 1987, at 4.

After receiving notification of the decision, the PTO examiner allowed the prosecution of the continuation application to proceed, eventually approving it and issuing the '512 patent to Ogontz on November 7, 1989. Plaintiffs initiated this action on April 9, 1990. Defendants answered and counterclaimed thereafter. In the complaint, plaintiffs do not dispute the validity of the '512 patent and its claims. As plaintiffs have acknowledged, the central question before me centers around the parties' competing requests for declaratory judgment as to ownership of the '512 patent. Jurisdiction and venue are proper under 28 U.S.C. §§ 1331, 1338 (a) and 28 U.S.C. §§ 1391 (b), 1400, respectively.

II. Discussion

A. *Standard for Summary Judgment*

Summary judgment is proper, pursuant to Fed. R. Civ. P. 56 (c), where the moving party has established that the evidence of record, even when viewed in the light most

favorable to the non-moving party, reveals that there is no genuine dispute of material fact and that the moving party is entitled to judgment as a matter of law. *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 574 (1986). The issue before me concerns whether plaintiff has proffered sufficient evidence to raise a dispute of material fact regarding the correctness of the PTO examiner's decision to issue the '512 patent to Ogontz as a continuation of the '007 patent. If I find from the evidence that no reasonable fact-finder could find in favor of plaintiffs, defendants are entitled to judgment as a matter of law. *Id.*, at 247-48. From the record, herein, it is clear that plaintiffs have not carried their burden on summary judgment.

B. *The Parties' Motions for Declaratory Judgment*

Pursuant to 35 U.S.C. § 120, a patent-holder may file a continuation application to a pending application in order to retain certain filing benefits.[3] Ogontz asserts that, as holder of a proprietary interest in the '007 patent, it properly filed a continuation application of the '007 patent, pursuant to 37 C.F.R. § 1.47, which states that a non-inventor who

> shows sufficient proprietary interest in the matter justifying such action, may make application for patent on behalf of and as agent for the inventor on proof of pertinent facts and showing that such

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[3] 35 U.S.C. § 120 dictates four basic requirements for continuation applications: (1) continuity of disclosure, (2) co-pendency of applications, (3) specific reference to the earlier filed application, and (4) filing by an inventor or inventors named in the previously filed application.

> action is necessary to preserve the rights of the parties or to prevent irreparable damage . . . 37 C.F.R. § 1.47; 35 U.S.C. § 118.

Accordingly, to survive defendants' motion for summary judgment on Count II of the Counterclaim, plaintiffs must provide evidence sufficient to allow a reasonable finder of fact to find that title to the '512 patent should reside in Pirkle rather than Ogontz. However, plaintiffs are unable to do so. The state court has entered a final judgment, binding upon plaintiffs by the principles of collateral estoppel. The state court has decreed Ogontz to be the sole owner of the '007 patent. Pursuant to the state court decree, Pirkle assigned all right, title, and interest in and to the '007 patent to Ogontz. Consequently, Ogontz is indisputably the owner of any continuation granted by the PTO.[4]

Plaintiffs claim that they are not collaterally estopped from litigating the ownership of the subject matter of the 1512 patent because the subject matter of the state court action was the '007 patent rather than the '512 patent. However, it is clear that the litigation of the '007 patent included the entire subject matter of the '007 patent, which included all disclosures therein. The continuation patent is necessarily limited to the disclosures of the

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[4] The legal analysis of the state court decree is more fully discussed in a memorandum filed in Civil Action 86-3374. Pursuant to the federal "full-faith and credit" statute, 28 U.S.C. § 1738, federal courts are required to give the prior judgment of a state court the same preclusive effect which the judgment would have under the law of the state in which the decision was rendered. *McDonald v. West Branch*, 466 U.S. 284, 287 (1984).

parent patent.[5] The PTO subsequently determined that the claims of the '512 patent application were within the bounds of the subject matter disclosed in the parent patent. Consequently, there is no factual basis for plaintiffs' claim to ownership of the continuation patent.

Plaintiffs further allege that fraud on defendants' part influenced the PTO examiner to name Ogontz as owner of the '512 patent. The evidence of record, however, does not support this contention. In order to state a cognizable claim of fraud or other inequitable conduct in the patent application context, a party must show both (1) the materiality of the alleged misrepresentation and (2) that the alleged perpetrator of the fraud acted with the intent to deceive. *See Kingsdown Medical Consultants, Ltd. v. Hollister, Inc.*, 863 F.2d 867 (Fed. Cir. 1988); *Merck & Co. v. Danbury*, 873 F. 2d 1418 (Fed. Cir. 1989).

The sole basis of plaintiffs' assertion that defendants intended to perpetrate a fraud on the PTO is the fact that defendants marked off a box on the continuation

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[5] Continuations have been defined as follows:

> "applications [which are) components of a sequential chain of applications each entitled to the benefit of the filing date of the earliest filed application; the filing date of which becomes the effective date for each subsequent application by the same inventor claiming an invention disclosed in the earliest application. The disclosure in the earliest application must meet . . . all the requirements of the first paragraph of 35 U.S.C.S. S 112 . . . [T]he essential characteristic . . . for a 'continuation' is that all the subject matter claimed in the later case was fully and operatively disclosed in the parent case." Walker on Patents, § § 9:12, at 31-32.

In other words, no continuation claim will be accepted if it would constitute a new matter if inserted into the parent. *In re Shaw*, 202 U.S.P.Q. 285 (Dept. Asst. Comm'r. Pat. 1978).

application indicating that Pirkle had assigned to Ogontz the ownership rights to the subject matter of the application. Defendants do not dispute checking off the box on the application marked "assignment." Defendants claim of ownership, however, is based upon the state court determination that Ogontz is the legal owner of the '007 patent and is in no way grounded in assignment.

Ogontz, through its counsel, made ongoing disclosures to the PTO examiner regarding the scope and nature of the litigation concerning the '007 patent. *See, e.g.*, Defendants' Ex. B-5, Request for Reinstatement of Suspension of Action, dated 6/23/87. Moreover, there is no evidence that the PTO examiner relied on an assignment in determining ownership of the '512 patent. On the contrary, the evidence before me discloses that the PTO examiner delayed the issuance of the '512 patent until the Pennsylvania state court rendered the judicial determination that defendants are the owners of the parent patent and the subject matter disclosed therein, pursuant to an enforceable employment agreement between Pirkle and Ogontz. *See* Defendants' Ex. A-12, Letter of PTO Notifying Ogontz of suspension of Patent Prosecution, dated 5/29/86. Upon notification of the state court decision, the PTO examiner reopened the proceedings for the defendants' continuation application and eventually granted the '512 patent, designating Ogontz as the owner. Clearly, the PTO examiner was not misled. There is insufficient evidence from which a reasonable finder of fact could find that the defendants intended to deceive the PTO examiner or that the PTO examiner had, in fact, been deceived by defendants during the prosecution of the patent. The PTO examiner was

aware of the ownership dispute and properly awaited a final state court judgment on the issue.

C. *Plaintiffs' Claim of Patent Infringement*

Defendants have also moved for summary judgment on Count I of the complaint in which plaintiffs allege that defendants have infringed on Pirkle's ownership rights to the '512 patent. Clearly, as ownership of the patent lies with Ogontz, plaintiffs have no right, interest, or legal title in the '512 patent and, thus, no standing to maintain an action for infringement. *See Crown Die & Tool Co. v. Nye Tool & Machine Works*, 261 U.S. 24 (1923). Consequently, defendants' motion for summary judgment as to Count I will be granted.

D. *Plaintiffs' Pendent State Law Claims*

Defendants have similarly moved for summary judgment on Count III of the complaint, which involves alleged violations of Pennsylvania state tort law. Although the ownership issue has been resolved in defendants' favor, the record before me regarding plaintiffs' state law allegations of business conduct in violation of state law is incomplete, and genuine disputes of material fact remain to be resolved. I will deny defendants' motion for summary judgment as to Count III.

An appropriate Order follows.

ORDER

And Now, this 8th day of July, 1992, upon consideration of plaintiffs' motion for summary judgment on Count II of the Complaint and defendants' motion for summary judgment on Counts I, II, and III of the complaint and Count II of the counterclaim; the following is hereby Ordered:

1. Plaintiffs' motion for summary judgment as to Count
II of the complaint is DENIED.

2. Defendants' motion for summary judgment as to Count I of the complaint is GRANTED. Judgment will be entered in favor of defendants and against plaintiffs.

3. Plaintiffs' motion for summary judgment as to Count II of the counterclaim is DENIED.

4. Defendants' motion for summary judgment as to Count II of the complaint and Count II of the Counterclaim are GRANTED. Declaratory judgment will be entered in favor of defendants' claim of ownership to all right, title and interest in United States patent 4,878,512.

5. Defendants' motion for summary judgment as to Count III of the Complaint is DENIED.

6. Plaintiffs' motion to vacate the Order staying discovery and reopen discovery as to Count III of the Complaint is GRANTED. Discovery is reopened as to all triable issues until September 21, 1992, and on or before September 30, 1992, the parties shall file a Proposed Final Pretrial Order to reflect events that may have occurred relevant to the open counts, since the filing of the Proposed Pretrial order.

7. The counts open for trial are consolidated for discovery and trial with the counts open for trial in Civil Action 86-3374. Trial to be scheduled during October, 1992.

8. Defendants' motion for a protective order (Docket # 8) is DISMISSED as moot.

9. Plaintiffs' motion to strike defendants' memorandum in support of its motion for summary judgment (Docket # 31) is DENIED.

BY THE COURT:

/s/ Clifford Scott Green
CLIFFORD SCOTT GREEN, S.J.

ENTERED: 7-9-92

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

94-1454

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Plaintiffs-Appellants,

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,
Defendants-Appellees.

ORDER

A combined petition for rehearing and suggestion for rehearing in banc having been filed by the APPELLANT, and a response thereto having been invited by the court and filed by the APPELLEE, and the petition for rehearing having been referred to the panel that heard the appeal, and thereafter the suggestion for rehearing in banc and response having been referred to the circuit judges who are in regular active service,

UPON CONSIDERATION THEREOF, it is

ORDERED that the petition for rehearing be, and the same hereby is, DENIED and it is further

ORDERED that the suggestion for rehearing in banc be, and the same hereby is, DECLINED.

The mandate of the court will issue on May 31, 1995.

Senior Circuit Judge SKELTON would rehear the appeal.

FOR THE COURT,
FRANCIS X. GINDHART, CLERK

Dated: May 24, 1995

By /s/ Diane M. Frye
Diane M. Frye
Chief Deputy Clerk

UNITED STATES CONSTITUTION
AMENDMENT VII

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise reexamined in any Court of the United States, than according to the rules of the common law.

FEDERAL CIRCUIT RULE 36

Rule 36. Entry of Judgment

Judgment of affirmance without opinion. The court may enter a judgment of affirmance without opinion, citing this rule, when it determines that any of the following circumstances exist:

(a) the judgment, decision or order of the trial court appealed from is based on findings that are not clearly erroneous;

(b) the evidence in support of a jury verdict is sufficient;

(c) summary judgment, directed verdict, or judgment on the pleadings is supported by the record;

(d) the decision of an administrative agency warrants affirmance under the standard of review in the statute authorizing the petition for review; or

(e) a judgment or decision has been entered without an error of law;

and an opinion would have no precedential value.

Supreme Court, U.S.
FILED
AUG 07 1994
OFFICE OF THE CLERK

No. 95-45

In The

Supreme Court of the United States

October Term, 1995

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,

Petitioners,

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

BRIEF IN OPPOSITION

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QUESTIONS PRESENTED FOR REVIEW

I. Whether this is an appropriate case for this Court to decide if patent claim interpretation is a question of fact for a jury or a question of law for the court given that: (a) a jury, a district court judge and the Federal Circuit have interpreted the patent claims at issue in this case and found infringement, and (b) petitioners waived the argument that claim interpretation is a question of fact for the jury by arguing in both the trial court and on appeal to the Federal Circuit that claim interpretation is an issue of law to be decided by the court?

II. Whether the Seventh Amendment is satisfied by two jury trials regarding the issues of validity and infringement or whether that provision of the Constitution requires additional jury trials to be held until a verdict in petitioners' favor is obtained?

III. Whether this Court should grant certiorari to entertain petitioners' claim - which was rejected by the Federal Circuit in banc – that a panel of Federal Circuit judges used summary affirmance to avoid application of binding Federal Circuit precedent?

PARTIES TO THE PROCEEDINGS

The petitioners in this proceeding are Fred L. Pirkle and Therm-Omega-Tech, Inc.

Respondents are Ogontz Corporation (formerly Ogontz Controls Company) and Thomas M. Kenny. Pursuant to Rule 29.1, Ogontz Corporation states that it has no parent or subsidiary companies.

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED FOR REVIEW i

PARTIES TO THE PROCEEDINGS ii

TABLE OF AUTHORITIES iv

STATEMENT OF THE CASE 2

SUMMARY OF THE ARGUMENT 8

ARGUMENT 10

I. THIS IS NOT AN APPROPRIATE CASE FOR THIS COURT TO DECIDE IF THE SEVENTH AMENDMENT REQUIRES QUESTIONS RELATING TO THE MEANING OF PATENT CLAIM TERMS TO BE SUBMITTED TO A JURY 10

A. This Is Not An Appropriate Case To Examine Whether The Judge Or The Jury Should Interpret The Claims Of A Patent Because Both Did So In This Case and Found Infringement 11

B. T-O-T Waived The Present Argument By Failing To Raise It Below 12

II. T-O-T'S REQUEST TO SET ASIDE THE JURY VERDICTS ON PATENT INFRINGEMENT AND ON THE AFFIRMATIVE DEFENSE OF PATENT INVALIDITY DO NOT WARRANT ADDITIONAL APPELLATE REVIEW BY THIS COURT 14

III. A COURT OF APPEALS IS NOT REQUIRED TO ISSUE A WRITTEN DECISION WHEN AFFIRMING A JUDGMENT OF A DISTRICT COURT .. 19

A. The Merits Panel Did Not Conspire To Use Federal Circuit Rule 36 To Avoid Application Of The *Markman* Decision 19

CONCLUSION 21

TABLE OF AUTHORITIES

Page

CASES

Atlantic & Gulf Stevedores, Inc. v. Ellerman Lines Ltd., 369 U.S. 355 (1962) 15

Fraige v. American-National Watermattress Corp., 996 F.2d 295 (Fed. Cir. 1993) 17

Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995) (in banc), *petition for cert. filed*, 63 U.S.L.W. 2663 (U.S. Jul. 03, 1995) (No. 95-26) 9, 11, 12, 13, 19, 20

Structural Rubber Products Co. v. Park Rubber Co., 854 F.2d 1328 (Fed. Cir. 1988) 18

Structural Rubber Products Co. v. Park Rubber Co., 749 F.2d 707 (Fed. Cir. 1984) 17, 18

Structural Rubber Products Co. v. Park Rubber Co., 1986 WL 12326 (N.D. Ill. Oct. 24, 1986) 18

Taylor v. McKeithen, 407 U.S. 191 (1972) (per curiam) 19, 20

United States v. Baynes, 548 F.2d 481 (3d Cir. 1977) (per curiam) 19

Witco Chemical Corp. v. Peachtree Doors, Inc., 787 F.2d 1545 (Fed. Cir.), *cert. dismissed*, 479 U.S. 877 (1986) 15, 16, 17

Yakus v. United States, 321 U.S. 414 (1944) 14

No. 95-45

In The

Supreme Court of the United States

October Term, 1995

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,

Petitioners,

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

BRIEF IN OPPOSITION

Respondents, Ogontz Corporation (formerly Ogontz Controls Company) and Thomas M. Kenny (collectively "Ogontz"), respectfully request that this Honorable Court deny the petition for a writ of certiorari to review the Judgment Order of the United States Court of Appeals for the Federal Circuit, which summarily affirmed, without opinion, the district court's final judgment.

STATEMENT OF THE CASE

In a Judgment Order entered April 6, 1995, *see* App. 1, a three-judge panel of the United States Court of Appeals for the Federal Circuit summarily affirmed, without opinion, the final judgment of the United States District Court for the Eastern District of Pennsylvania awarding $216,846.00 in favor of Ogontz in a patent infringement action brought against Fred L. Pirkle and Therm-Omega-Tech, Inc. *See* App. 3.

In their petition for a writ of certiorari, Fred L. Pirkle and Therm-Omega-Tech, Inc. (where appropriate collectively referred to as "T-O-T") seek review of the district court's final judgment of patent infringement. In addition, T-O-T requests in a footnote that the Federal Circuit's Judgment Order be vacated as to all "other issues" raised in T-O-T's appeal to the Federal Circuit. Petition at 22 n.13. These "other issues" are neither enumerated nor identified. *Id.*

The facts, viewed in the light most favorable to Ogontz, the verdict winner, are as follows.

Ogontz has designed and manufactured freeze protection devices for the railroad industry for over 40 years. (Rec.2284).[1] Ogontz was founded by Thomas J. Kenny, Sr. and is now run by his son, Thomas M. Kenny. (Rec.2283; 2288-89.)

In January 1979, Fred L. Pirkle was hired primarily as a salesperson for Ogontz. (Rec.3530, 3872-3873.) At that

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[1] The appendix filed in the United States Court of Appeals for the Federal Circuit is cited herein as "Rec."

time Pirkle had some experience in mechanical engineering. (Rec.3530.) Pirkle entered into an "Employment Agreement" establishing his obligations to render and disclose to Ogontz all inventions or improvements made during his employment and to protect Ogontz' trade secrets. (Rec.3872-73.)

In 1981, Pirkle became Ogontz' Product Development Manager. As Product Development Manager, Pirkle's specific responsibility was to assist in the development of concepts and prototypes to be tested, engineered and produced by Ogontz. (Rec.5429.) Ogontz provided Pirkle with engineering and technical assistance, machine tools and a shop to use while working for Ogontz. *Id.* Pirkle set about to improve Ogontz' freeze protection line, including a valve known as the Harasewych valve. *Id.* During the winter of 1981-82, Pirkle told William J. Doyle, then Ogontz' Executive Vice President, that he had conceived a "revolutionary" idea to modify the Harasewych valve so as to provide a new snap-acting mechanism for freeze protection. (Rec.5430-5431.)

In May 1982, Ogontz, working in conjunction with its largest customer, Consolidated Rail Corporation ("Conrail") (Rec.2287), sponsored a "cold room" test for freeze protection valves. (Rec.5431; 2290-91.) During the cold-room test, Ogontz engineers developed two new valves by modifying existing Ogontz valves. These valves became known as the SA and LA valves. (Rec.5432; 2292-93.) Both the SA and the LA were used extensively by Conrail.

One evening after the cold-room test, Pirkle showed Ogontz' Vice President for Marketing and Sales, Norm

Cooper, a prototype of a modification to the Harasewych valve, described by Pirkle as a snap-acting valve. (Rec.5432-33.) Cooper asked Pirkle what he intended to do with the device. Pirkle told Cooper that he would not show it to Ogontz or Kenny "until he [Kenny] came around," because he did not want Kenny "to make any more money." (Rec.5433.) Pirkle also said that he would gain nothing by showing the prototype to Kenny. *Id.* The valve examined by Cooper was the MV-1, which Pirkle invented during his employment by Ogontz. (Rec.5440.)

On October 9, 1982, Pirkle's employment at Ogontz was terminated. Shortly thereafter, Pirkle patented and used the stolen MV-1 invention to start Controls Consulting Co., which later became T-O-T. (Rec.3531.) By November 1982, Pirkle was soliciting orders from Ogontz' leading customer, Conrail, for the MV-1 valve. (Rec.5434; 3531.) On December 8, 1982, Pirkle began selling the MV-1 valve to Conrail. *Id.* On January 25, 1983, Pirkle applied for a patent on the valve mechanism embodied by the MV-1. *Id.* United States Patent No. 4,460,007 (the '007 patent) issued from that application on July 17, 1984. (Rec.118; 4074.)

In May 1983, upon learning of Pirkle's theft of its intellectual property, Ogontz began integrating the technology that Pirkle had stolen into its own freeze protection products. (Rec.118; 3644.) Ogontz named the product the QR-E. (Rec.3644; 3682.) In September 1983, Ogontz filed suit against Pirkle in the Chester County, Pennsylvania, Court of Common Pleas for breach of contract and misappropriation of the MV-1. (Rec.119.) The Chester County court found that Ogontz was the sole and exclusive owner of the technology claimed in the '007 patent

and ordered Pirkle to assign the patent to Ogontz. (Rec.5420-24.) Three years of appeals in the state courts followed. (Rec.5398.) The state appellate courts rejected every legal argument pursued by Pirkle. (Rec.5391-98.) On September 5, 1990, the Pennsylvania Supreme Court denied Pirkle's Petition for Allowance of Appeal. (Rec.5398.) Thus, there exists a final, unreviewable and binding determination that Ogontz is the owner of the '007 patent and its subject matter.

The day after the state court judgment ordering T-O-T to remove the MV-1 valve from the market became final, T-O-T introduced the "Guru plug." (Rec.2457; 2302.) Ogontz then notified T-O-T that the Guru plug also infringed the '007. (Rec.2306.)

The case now before this Court was initiated by T-O-T in an attempt to subvert Ogontz' successful litigation in the state court system. T-O-T's federal suit, along with asserting a host of other groundless causes of action, disputed ownership of United States Patent Nos. 4,460,007 and 4,878,512 (the '512 patent)[2] and the subject matter of those patents. (Rec.17-36; 37-46; 2047.) The '512 patent is a "continuation" of the application which issued as the '007 patent and therefore claims the same invention, or "subject matter," as the '007 patent. (Rec.2308; 4212 *et seq.*)

In July 1992, the district court granted Ogontz' motion for summary judgment on all of T-O-T's claims except for certain tort claims based on communications

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[2] Ownership of the '512 patent had not been at issue in the state court litigation.

that Ogontz made informing customers and potential customers of Ogontz' rights to the inventions and patents in question and the progress of Ogontz' efforts through the courts to enforce its rights. (Rec.17-36; 37-46.) The district court denied Ogontz' motion as to these claims out of an "abundance of caution" (Rec.2050) to give T-O-T an additional opportunity to produce evidence in support of its allegations. (Rec.2050-51.)

The first of two jury trials began on November 15, 1993 on T-O-T's remaining tort claims, Ogontz' patent infringement counterclaims, and T-O-T's affirmative defenses to those counterclaims. The district court held the evidence produced at trial "insufficient for a reasonable jury to find a violation . . . under Pennsylvania law" (Rec.2047) on T-O-T's tort claims because Ogontz' letters were "essentially true" (Rec.2051) and Ogontz had "a privilege to advise competitors and persons who might deal in that property of [Ogontz'] interests." (Rec.2047.)

The jury returned a verdict in favor of Ogontz rejecting T-O-T's affirmative defenses of patent validity and enforceability. (Rec.5546-47; 5551.) The jury also awarded damages to Ogontz for T-O-T's infringement of the '007 patent through the sale of the MV-1 valve. (Rec.5548.) The jury was deadlocked as to the question of literal infringement by T-O-T's Guru plugs. (Rec.5549-50; 5552-53.)

The retrial on the issue of infringement by T-O-T's Guru plugs commenced on April 11, 1994. On April 28, 1994, the jury found that the 4H-R Guru plug in both the "T" and "PAK" configurations, the 4H Guru plug in the "PAK" configuration and the original Guru plug in the "PAK" configuration all infringed claims 4, 9 and 10 of

the '007 patent. (Rec.5555-57.) The jury also awarded Ogontz damages for its lost profits due to the infringement of the '007 patent by T-O-T. *Id.*

The trial court denied T-O-T's post-trial renewal of its motions for judgment as a matter of law and for a new trial. (Rec.16.) Thereafter, T-O-T appealed to the United States Court of Appeals for the Federal Circuit.

In its opening brief on appeal to the Federal Circuit, T-O-T raised eight separate issues. Except for the cryptic and oblique reference to "other issues" on page 22 of the present petition, T-O-T has in this Court abandoned all but one of those issues. Of the three questions presented in the petition before this Court, only Question Two was among the questions presented for review to the Federal Circuit.[3]

On April 5, 1995, a three-judge panel of the United States Court of Appeals for the Federal Circuit heard oral argument in the appeal. The Federal Circuit allocated 15 minutes of argument time per side, and during the argument the panel granted additional time to counsel for both sides.

On April 6, 1995, the Federal Circuit entered a judgment order affirming, in its entirety, the district court's final judgment. *See* App. 1. The judgment order states, in relevant part:

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[3] Petitioners worded the first question presented to this Court to give the appearance that they had raised it below; however, in truth they argued the opposite position from the position they now espouse.

> This CAUSE having been heard and considered it is ORDERED and ADJUDGED: AFFIRMED.

Id.

On April 20, 1995, T-O-T filed a petition for rehearing and suggestion for rehearing in banc. The Federal Circuit ordered Ogontz to file an answer to the petition for rehearing together with a sufficient number of copies of the answer to permit its distribution to the entire in banc court. A copy of Ogontz' answer to the petition for rehearing is set forth in the appendix to this brief in opposition. *See* Resp. App. 1-15.

In an order dated May 24, 1995, the Federal Circuit denied T-O-T's petition for rehearing and declined its suggestion for rehearing in banc. *See* App. at 49-50. On May 30, 1995, T-O-T filed in the Federal Circuit a motion seeking a stay of that court's mandate. On June 1, 1995, Ogontz filed a response opposing the motion for a stay. On June 12, 1995, the Federal Circuit issued an order denying T-O-T's motion for a stay of the mandate. The Federal Circuit's mandate issued on June 19, 1995.

On July 6, 1995, T-O-T filed its petition for a writ of certiorari in this Court.

SUMMARY OF THE ARGUMENT

This Honorable Court should deny T-O-T's petition for a writ of certiorari.

With respect to the first question presented by petitioners, whether the Seventh Amendment requires claim

interpretation to be submitted as a question of fact to the jury or to be determined as a matter of law by the court, this is not an appropriate case to examine this question for two reasons. First, the question is moot because here both a jury and judges exercising de novo review have concluded that T-O-T is liable for patent infringement. Second, petitioners did not argue on appeal to the Federal Circuit or in their post trial motions that the Seventh Amendment requires the issue of claim interpretation to be submitted to the jury, but rather argued that claim interpretation is a matter of law subject to de novo review by the court on appeal. It was only after the Federal Circuit Court of Appeals subjected the claims to de novo review and affirmed the judgment of the district court that petitioners, then realizing they had lost under both standards, seized upon their current argument. Petitioners have waived their current argument not only by failing to raise it at the appropriate time below, but also by actively arguing against it.

With respect to petitioners' second question involving the scope of the Seventh Amendment, the Seventh Amendment does not require that issues of infringement and validity be decided by the same jury because those issues are not indistinguishably interwoven; rather, they are separate and distinct considerations that may be decided separately by different juries. Moreover, this is no longer a question of importance because the Federal Circuit in its recent in banc ruling in *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (in banc), *petition for cert. filed*, 63 U.S.L.W. 2663 (U.S. Jul. 03, 1995) (No. 95-26), held that the court, and not the jury, should decide the meaning of a patent claim as a matter of law. Thus, there is no risk today that two juries

might come to differing conclusions as to the meaning of a single patent claim. Therefore, this question will not arise again in the future.

Petitioners' third question for review regarding the Federal Circuit's failure to produce a written opinion regarding its decision subjects this Court to argument unsupported by rule, case or statute. Contrary to petitioners argument, a court of appeals is not required to render a written opinion whenever it affirms a district court's judgment. Indeed, this question has already been answered by this Court. The answer is no.

ARGUMENT

I. THIS IS NOT AN APPROPRIATE CASE FOR THIS COURT TO DECIDE IF THE SEVENTH AMENDMENT REQUIRES QUESTIONS RELATING TO THE MEANING OF PATENT CLAIM TERMS TO BE SUBMITTED TO A JURY

T-O-T contends in its first question presented for review that the Seventh Amendment requires that questions regarding the meaning of patent claim terms must be submitted to the jury when extrinsic evidence raises a genuine dispute concerning the meaning of those terms. T-O-T further argues that there is "no patent-related issue of greater national importance or pervasive effect than the issue presented by this case concerning the command of the Seventh Amendment regarding the proper roles of judge and jury vis-à-vis patent claim interpretation." Petition at 9. T-O-T's argument, however, is moot and irrelevant because both a jury, a district court judge, and the

Federal Circuit have interpreted the patent claims at issue and have all come to the conclusion that the patent in question is infringed by T-O-T's Guru plugs. They all concluded that a finding of infringement was warranted. Moreover, T-O-T argued in its post trial motions and on appeal to the Federal Circuit that claim interpretation presents a question of law for the court to decide. T-O-T waived any argument to the contrary by failing to advance it below.

A. This Is Not An Appropriate Case For This Court To Examine Whether The Judge Or The Jury Should Interpret The Claims Of A Patent Because Both Did So In This Case And Found Infringement

The judgment entered by the district court in this case must stand whether it is believed that a judge or a jury, or a combination of both, should determine the meaning of patent claims.

Here, the jury interpreted the patent claims in this case and found that T-O-T infringed the '007 patent. Therefore, Ogontz' victory would not be affected if patent claim interpretation is a jury question.

On the other hand, if patent claim interpretation is a matter of law exclusively for the court and subject to de novo review, as the Federal Circuit's in banc decision in *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (in banc), *petition for cert. filed*, 63 U.S.L.W. 2663 (U.S. Jul. 03, 1995) (No. 95-26), states, again Ogontz' victory remains unaffected. Here, both the district court and the court of appeals have reviewed and interpreted

the claims and found that the language of the claims, as construed by them, supports as a matter of law the jury's finding of infringement. *See* App. at 1 and 49-50. Therefore, Ogontz' victory would not be affected if claim interpretation is a question of law.

The present petition is an argument for review of *Markman*, not the case at hand. As Ogontz has shown, however, no matter what disposition is made of the petition for certiorari filed in *Markman*, Ogontz' victory over T-O-T will not be affected.

In this suit, a jury, a district court judge and a merits panel of the Federal Circuit have interpreted the patent claims at issue and concluded that those claims are infringed by T-O-T's products. At some point petitioners must accept defeat.

B. T-O-T Waived The Present Argument By Failing To Raise It Below

On post trial motions before the district court and on motions before the court of appeals, T-O-T argued that claim construction is a question of law for the court. *See, e.g.*, Counterclaim Defendants' Post-Trial Renewal of Their Motion For Judgment as a Matter of Law On The Counterclaim In Civil Action No. 86-3374, Or In The Alternative, Motion For a New Trial, at 4; Brief for Appellants at 33; Appellants Petition for Rehearing at 2. T-O-T argued to the Federal Circuit panel that patent claim construction was a matter of law, and that the issue would soon be decided by the Federal Circuit in banc in

Markman.[4] *Id.* The decision in *Markman* was released on April 5, 1995, the day *before* the Federal Circuit ruled on T-O-T's appeal.

After the *Markman* decision was released, holding (as T-O-T had argued) that claim interpretation was a matter of law, T-O-T moved for a rehearing in banc of the present case by the Federal Circuit. The principal support for its arguments was the decision in *Markman*, which T-O-T hailed as a vindication of its position that claim interpretation is a question of law. T-O-T argued that its loss on appeal before the merits panel was obviously the result of a clerical error or a conspiracy between the Judges on the panel to ignore the decision in *Markman* and implement their own personal view of what the law should be. Appellants' Petition for Rehearing at 3 and 6. Ogontz explained in its answer to T-O-T's petition for rehearing that, in accordance with *Markman*, the panel had properly exercised its "power and obligation to construe as a matter of law the meaning of language used in the patent claim." Answer to Petition for Rehearing at 4, quoting *Markman*, 52 F.3d at 979. The active judges of the Federal Circuit rejected T-O-T's arguments by rejecting T-O-T's suggestion for rehearing in banc.

Now, after its arguments were rejected by the entire Federal Circuit, T-O-T attempts to argue a position completely contrary to what it has argued to this point. For the first time, T-O-T argues that the Seventh Amendment

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[4] Similarly, T-O-T also argued before the district court in its post trial motions that patent claim construction was a matter of law.

requires a jury to interpret patent claims when extrinsic evidence raises a dispute concerning their meaning.

Under the decisional law of this Court, T-O-T has forever waived the right to request a jury to interpret the patent claims of the '007 patent, or to raise that issue before this Court. In *Yakus v. United States*, 321 U.S. 414, 444 (1944), this Court stated that "[n]o procedural principal is more familiar to this Court than that a constitutional right may be forfeited in criminal as well as civil cases by the failure to make timely assertion of the right before a tribunal having jurisdiction to determine it." In this case, T-O-T not only failed to assert the right it now attempts to argue, but it affirmatively argued against the very existence of that right.

In light of the foregoing, this Court should not consider T-O-T's argument that the Seventh Amendment requires a jury to interpret the meaning of patent claims where extrinsic evidence exists. Not only is T-O-T's argument disingenuous in light of its arguments before the district court and Federal Circuit, but it must also be considered waived by T-O-T's failure to raise it at any prior time during the appeal.

For all these reasons, this Court should reject T-O-T's first ground for certiorari.

II. T-O-T'S REQUEST TO SET ASIDE THE JURY VERDICTS ON PATENT INFRINGEMENT AND ON THE AFFIRMATIVE DEFENSE OF PATENT INVALIDITY DO NOT WARRANT ADDITIONAL APPELLATE REVIEW BY THIS COURT

T-O-T also requests this Honorable Court to grant its petition for a writ of certiorari based upon its argument

that the issues of patent validity and infringement were allegedly inextricably intertwined and should have been tried before the same jury. T-O-T argues that the jury verdicts against it should not stand under the "no reexamination of facts" clause of the Seventh Amendment.[5] Petition at 15. However, T-O-T offers no legitimate reason for setting aside the jury verdicts on the issues of validity and infringement, which were entered upon full and fair jury trials.

Contrary to T-O-T's argument, Ogontz' rights under the Seventh Amendment would be violated by setting aside the jury verdicts. Unless there is an unavoidable factual basis for concluding that inconsistent verdicts have been reached, the Seventh Amendment commands that the courts must presume that there is no inconsistency. *See, e.g., Atlantic & Gulf Stevedores, Inc. v. Ellerman Lines Ltd.*, 369 U.S. 355, 364 (1962) (where there is a view of the case that makes the jury's answers to special interrogatories consistent, they must be resolved that way).

Here, there is no inconsistency between the jury verdicts. T-O-T has offered nothing but speculation that the second jury verdict might be inconsistent with the first. T-O-T's claim that the Federal Circuit's opinion in *Witco*

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[5] T-O-T admitted in its petition for rehearing to the Federal Circuit that "the *Markham* [sic] decision attenuates the constitutional magnitude of the error" that allegedly resulted from having different juries return verdicts on validity and infringement. Petition for Rehearing at 8. Indeed, under *Markman* claim interpretation is not even a function of the jury. Therefore, T-O-T's second question will never arise again, and there is consequently no need for this Court to spend its limited judicial resources reviewing the issue.

Chemical Corp. v. Peachtree Doors, Inc., 787 F.2d 1545 (Fed. Cir.), *cert. dismissed*, 479 U.S. 877 (1986), supports its position was considered and rejected by the Federal Circuit.[6]

Moreover, to the extent that the Federal Circuit in *Witco* expressed any views as to the interconnectedness of the issues of an invalidity defense and claim construction, its reasoning was clearly and carefully restricted to the record in that case. The Federal Circuit simply refused to construe *Witco* as a sweeping edict that these issues may never properly be decided by separate juries.[7]

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[6] The actual holding of *Witco* was that the trial court abused its discretion when it coerced a deadlocked jury into reaching a verdict on infringement. *See* 787 F.2d at 1548-49. This clearly did not occur in the present case. Here the district court was exceedingly sensitive to the jury's important role, and excused the first jury – without objection by either party – after only one day of deliberations. Before concluding its deliberations the first jury reached a verdict, by special interrogatories, on the affirmative defenses of validity and unenforceability. (Rec. 5546-47; 5551; 2053-54.) As explained above, the Seventh Amendment does not permit this verdict to be set aside absent compelling evidence that it was erroneous. Such evidence is lacking here.

[7] The actual language of the *Witco* opinion reads:

> Furthermore, it is inappropriate, *in light of the evidence presented and arguments made at this trial*, to have one jury return a verdict on the validity, enforceability and contract questions while leaving the infringement questions to a second jury. We reached this conclusion only after considering *the totality of the circumstances* and by answering, "How may the ends of justice be served?" [Citations omitted] . . . *Here* the arguments against infringement are indistinguishably woven with the factual underpinnings of the

It is well-settled within the Federal Circuit that the issues of validity and infringement may be decided by separate juries. For example, in *Fraige v. American-National Watermattress Corp.*, 996 F.2d 295 (Fed. Cir. 1993), a jury returned special verdicts finding infringement and invalidity due to anticipation and obviousness. The appeals court left the special verdict on infringement intact, but remanded for a new trial limited to the issue of validity, thus requiring two different juries to consider the issues of infringement and validity. *Fraige*, 996 F.2d at 300.

In *Structural Rubber Products Co. v. Park Rubber Co.*, 749 F.2d 707, 720 (Fed. Cir. 1984), the Federal Circuit, discussing the Seventh Amendment, noted that "[t]o aid comprehension, complex cases have been tried a step at a time, receiving the jury's answer to one phase of a case, and only then continuing to the next." The court reiterated its holding that a trial court "may ask for a general answer on one or more specific legal issues." *Structural Rubber*, 749 F.2d at 720. In the initial *Structural Rubber* trial, a jury found that devices made by Park Rubber Co. infringed Structural's patents but that the patents themselves were invalid. On appeal the Federal Circuit reversed the judgment as to invalidity only and

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validity and enforceability determinations and the subject matter of the contract.

787 F.2d at 1549 (emphasis added).

Certainly in this case, where the district court and the Federal Circuit agree completely with the jury's findings that the '007 patent is both infringed and not invalid, the "ends of justice" are best served by denying review of T-O-T's second ground for certiorari. (Rec.11; 5546-47.)

remanded for further proceedings. *Structural Rubber,* 749 F.2d at 724. A second jury trial was held limited to the issue of invalidity. *Structural Rubber Products Co. v. Park Rubber Co.,* 1986 WL 12326 (N.D. Ill. Oct. 24, 1986). At the second trial the new jury found the patent claims valid and the trial court granted Structural's request for a permanent injunction against Park. The Federal Circuit affirmed the judgment following the second trial without published opinion. *Structural Rubber Products Co. v. Park Rubber Co.,* 854 F.2d 1328 (Fed. Cir. 1988). Thus, it is clear that validity and infringement may be considered by two different juries.

Because the only authorities identified by T-O-T are limited to determinations made upon the specific arguments and evidence presented at the trial of other cases; because T-O-T has identified no evidence or argument presented at the trial of *this case* that would justify setting aside the jury verdict at issue here; because the verdict on validity was reached on special interrogatories pursuant to Federal Rule of Civil Procedure 49; because the verdicts are in no way inconsistent with each other; because the trial judge, who heard the evidence at both trials, reviewed the verdicts on post trial motions; because the merits panel of the Federal Circuit made a de novo review of the patent claims and affirmed the judgment of the trial court; because the Federal Circuit considered and rejected the present argument in its refusal to grant rehearing in banc; and because the Seventh Amendment requires that the verdicts be retained unless it is virtually impossible to make sense of the verdicts as returned, the rational answer in this case to the question "how may the

ends of justice be served" is to deny T-O-T's second ground for certiorari.

III. A COURT OF APPEALS IS NOT REQUIRED TO ISSUE A WRITTEN DECISION WHEN AFFIRMING A JUDGMENT OF A DISTRICT COURT

A. The Merits Panel Did Not Conspire To Use Federal Circuit Rule 36 To Avoid Application Of The *Markman* Decision

In the third question presented for review, T-O-T asks this Court to hold that the entry of a summary affirmance of the trial court's judgment "denies the appellants their statutorily granted right of appeal." Petition at i. T-O-T further argues, in essence, that the use of Federal Circuit Rule 36 by the judges implies that the judges of the United States Federal Circuit Court are involved in a conspiracy against T-O-T.

T-O-T's argument mistakes the absence of a written decision for a lack of appellate review. The use of a judgment order does not indicate that an appeal is receiving less than close appellate scrutiny. *See Taylor v. McKeithen*, 407 U.S. 191, 194 n. 4 (1972) (per curiam); *United States v. Baynes*, 548 F.2d 481, 482-84 (3d Cir. 1977) (per curiam) (rejecting due process challenge to the affirmance of a criminal conviction by judgment order).

The Honorable Judges Pauline Newman and Randall Rader and Senior Judge Byron Skelton read and considered briefs totaling over 125 pages. They gave each party a full opportunity to argue the issues raised on appeal.

Indeed, each party was given extra time for oral argument. Based on the briefs and arguments, the Panel determined that T-O-T's appeal was without merit.

The appellate review T-O-T received from the Federal Circuit did not end with the three-judge panel assigned to their appeal. T-O-T filed a petition for rehearing and suggestion for rehearing in banc. The Federal Circuit ordered Ogontz to file an answer for distribution to the entire in banc court. After reviewing T-O-T's petition and Ogontz' answer thereto, none of the fourteen active judges on the Federal Circuit noted his or her dissent from the denial of rehearing in banc. *See* App. 49-50. Indeed, if any of the other judges of the Federal Circuit had believed the merits panel had used Federal Circuit Rule 36 to avoid application of the *Markman* decision, they certainly would have voted to rehear the appeal in banc. Their refusal to do so clearly illustrates that they believed the panel properly applied the precedents of the Federal Circuit.[8] While T-O-T is no doubt disappointed with the outcome of its appeal, the appeal received sufficient appellate review.

The rule of law that T-O-T seeks this Court to announce is contrary to this Court's decisions and has no basis in reason. For example, in *Taylor*, 407 U.S. at 194 n.4, this Court stated that:

> We, of course, agree that the courts of appeals should have wide latitude in their decisions of

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[8] For additional explanation of this point, see Answer of Appellees to Appellants' Petition for Rehearing In Banc. Resp. App. at 1-15.

whether or how to write opinions. That is especially true with respect to summary affirmances.

The consequences of the rule T-O-T would have the Court adopt would be far-ranging. The courts of appeal would be required to issue written decisions on every appeal, wasting limited and precious judicial resources on cases the panel finds unworthy of special note.

For these reasons, this Court should reject T-O-T's third ground for certiorari.

CONCLUSION

For the foregoing reasons, Ogontz respectfully requests that this Court deny the petition for a writ of certiorari.

Respectfully submitted,

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ANSWER OF APPELLEES TO APPELLANTS' PETITION FOR REHEARING WITH SUGGESTION FOR REHEARING IN BANC

UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

Appeal No. 94-1454

FRED L. PIRKLE and
THERM-OMEGA-TECH, INC.,

Plaintiffs-Appellants,

v.

OGONTZ CONTROLS COMPANY
and THOMAS M. KENNY,

Defendants-Appellees.

Appeal from decisions of the United States District Court for the Eastern District of Pennsylvania, in Civil Action Nos. 86-3374 and 90-2430, entered May 19, 1994, July 8, 1994 and July 28, 1994, Hon. Clifford Scott Green, Senior District Judge

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UNITED STATES COURT OF APPEALS FOR THE FEDERAL COURT

Pirkle v. Ogontz Controls

No. 94-1454

CERTIFICATE OF INTEREST

Counsel for the appellee, Ogontz Corporation (formerly Ogontz Controls) and Thomas M. Kenny, certifies the following:

1. The full name of every party or amicus represented by me is:

(a) Ogontz Corporation
(b) Thomas M. Kenny

2. The name of the real party in interest (if the party named in the caption is not the real party in interest) represented by me is:

N/A

3. The parent companies, subsidiaries (except wholly-owned subsidiaries), and affiliates that have issued shares to the public, of the party or amicus curiae represented by me are:

None (see also attached disclosure statement).

4. The names of all law firms and partners or associates that appeared for the party or amicus now represented by me in the trial court or agency or are expected to appear in this court are:

(a) Montgomery, McCracken, Walker & Rhoads:

(i) David H. Marion, Esquire
(ii) Robert E. Welsh, Jr., Esquire

(iii) Larry L. Turner, Esquire
(iv) Stephen D. Ellis, Esquire
(v) Douglas L. Overtoom, Esquire

(b) Woodcock, Washburn, Kurtz, Mackiewicz & Norris:

(i) Norman L. Norris, Esquire
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TABLE OF CONTENTS

PAGE

CERTIFICATE OF INTEREST i

TABLE OF CONTENTS ii

TABLE OF AUTHORITIES iii

I. INTRODUCTION 1

II. ARGUMENT 3

A. A Rehearing On The Affirmance Of The Judgment Of Patent Infringement is not Appropriate 3

B. Appellants' Antitrust and State Law Arguments have been Argued and Reargued and are not the Proper Subject for Rehearing .. 7

C. An In Banc Rehearing Of Appellants' State Law Claims Would Be Wasteful Of Valuable Judicial Resources 10

III. CONCLUSION 11

TABLE OF AUTHORITIES

PAGE

CASES

Atari Games Corp. v. Nintendo of America, Inc.,
897 F.2d 1572 (Fed. Cir. 1990).....9

Genentech, Inc. v. Eli Lilly and Co.,
998 F.2d 931, 944 (Fed. Cir.),
cert. denied, 114 S. Ct. 1126 (1993).....7

Markham v. Westview Instruments, Inc.,
No. 92-1049, 1995 WL 146983 (Fed.
Cir. Apr. 5, 1995) (in banc) 3-7

Professional Real Estate
Investors v. Colombia Pictures,
113 S. Ct. 1920 (1993).....9-10

OTHER AUTHORITIES

Fed. R. App. P. 40(a) 8

Internal Operating Procedures
Information Sheet (Fed. Cir.) 2, 3, 8, 9

Internal Operating Procedures 9.3.3 (3d Cir.).....11

I. INTRODUCTION

This Court should deny Appellants' Petition For Rehearing And Suggestion For Rehearing in Banc because: 1) appellants have produced absolutely no evidence that the panel overlooked or misapprehended any point of law or fact on appeal; 2) appellants are merely rearguing points made and lost before the Federal Circuit and the District Court for the Eastern District of Pennsylvania; and 3) the Federal Circuit has no interest in making in banc decisions concerning Pennsylvania law.

During the course of this litigation appellants Term-Omega-Tech and Fred L. Pirkle (hereinafter collectively "T-O-T") have accused both judges and officers of the courts involved in this matter with fraud,[1] collusion,[2] and incompetence.[3]

True to form, T-O-T now impugns the integrity of Circuit Judges Newman and Rader and Senior Circuit Judge Skelton by suggesting that they entered the judgment order in this matter in derogation of their duty as

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[1] T-O-T argued that counsel for Ogontz defrauded the Pennsylvania courts. That contention was completely and correctly rejected by the district court. *See, e.g.*, Joint Appendix at A.27-28.

[2] Counsel for T-O-T stated to the district court on the record that Ogontz only won in the state court proceedings because Ogontz' attorney "had it in with the Judge." *See* Joint Appendix at A.959-60.

[3] T-O-T's suggestion that the judgment order issued by the Federal Circuit in this appeal was entered due to a clerical mistake is insulting, incredible and not worthy of further comment. *See* Appellants' Petition for Rehearing With Suggestion For Rehearing In Banc at 3.

appellate judges to make "difficult or troublesome decisions," or, worse, to deliberately conceal divisive or disturbing issues. *See* Appellants' Petition for Rehearing With Suggestion For Rehearing In Banc at 6-7 n.1. While any litigant with ink and paper has the ability to suggest that three distinguished Circuit Judges of this Court improperly used a judgment order to "conceal divisive or disturbing issues," *id.*, the petition for rehearing falls far short of substantiating such a grave assertion.

A three judge merits panel of the Federal Circuit will enter a judgment of affirmance without opinion only when they unanimously agree that "the appellants have utterly failed to raise any issues in the appeal that require an opinion to be written in support of the court's judgment of affirmance." Internal Operating Procedures Information Sheet provided by the Court to the parties upon mailing of the judgment order (hereinafter "I.O.P. Information Sheet"). In spite of the fact that T-O-T unquestionably failed to persuade any member of the panel that any of the eight separate issues raised on appeal had merit, T-O-T ignores the Federal Circuit's admonition that "petitions for rehearing are rarely considered meritorious," *id.*, and disregards the Court's instructions *not to reargue matters already considered* by the panel. *Id.* Instead, T-O-T demands yet another bite of an apple it has already gnawed to the core.

II. ARGUMENT

A. A Rehearing On The Affirmance Of The Judgment Of Patent Infringement is not Appropriate.

A rehearing on the affirmance of the judgment of patent infringement is not appropriate. All of appellants' present arguments were addressed in the briefs and/or discussed at oral argument. Nor is the distinguished panel guilty of "hiding the ball" by its use of a judgment order.

On the same day that this appeal was argued before the panel, this Court released an in banc decision holding that claim construction was a matter of law subject to de novo review on appeal. *Markham v. Westview Instruments, Inc.*, No. 92-1049, 1995 WL 146983 (Fed. Cir. Apr. 5, 1995) (in banc). It was thus clear at the time the panel heard oral argument and issued its affirmance of the judgment in this matter that claim construction is a matter of law subject to de novo review. *Id.*

Appellants' argument seems to be based upon the assumption that the panel was unaware of the *Markham* opinion, or in a conspiracy not to apply the holding of that decision, or misunderstood *Markham's* holding. Such a position is insupportable. Appellants fully briefed the line of cases supporting the *Markham* decision, and the panel inquired about the issue of de novo review during oral argument. *See* Brief of Appellants at 32-45. In fact, appellants' counsel admits that he expressly reminded the panel of the in banc consideration of *Markham* and instructed the panel that "the *Markham* in banc decision

would control." Appellants' Petition For Rehearing With Suggestion For Rehearing In Banc at 2. It is disingenuous of appellants to complain that the panel overlooked or misapprehended the holding of *Markham* or its power to conduct de novo review of a patent's claim language. If anything, the judges were more keenly aware and more sharply focused on the requirements established by *Markham*.

Under *Markham*, the panel in the present appeal had the "power and the obligation to construe as a matter of law the meaning of the language used in the patent claims," *Markham*, WL 146983 at *11. There is no evidence to indicate that the panel failed to carry out its duty. The panel apparently did reexamine and re-construe the claims and agreed with the previous findings of the jury and the district court that T-O-T's devices infringe claims 4, 9 and 10 of Ogontz' '007 patent. Thus, three separate evaluations, by a jury, a district court judge and a merits panel of the Federal Circuit, have now concluded that the patent claims at issue are infringed by T-O-T's products. At some point appellants must accept defeat..

The panel reached its conclusions after examining the materials submitted for review by the parties, and questioning counsel for both parties about those materials at oral argument. In the briefs and appendices submitted, the panel was presented with the patent claims of the '007 patent, the patent specification, the prosecution history (including the entire file wrapper for the '007 patent)[4]

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[4] Interestingly, appellants objected to the inclusion of the prosecution history of the '007 patent as irrelevant material and

and, to the extent provided by the parties, extrinsic evidence received by the district court. The panel, therefore, had available to it all the necessary information required by *Markham* to review and construe de novo the claim language as a matter of law. *Markham* WL 146983 at *11. To suggest – without any shred of evidence to support such an argument – that the panel failed to conduct this review, or deliberately refused to do so, demonstrates the desperation of T-O-T's position.[5]

Contrary to appellants' argument, review of the audiotape of the oral argument will indicate that the panel did review the claims de novo and did construe the meaning of the claims as a matter of law. During oral argument Judge Rader specifically indicated to appellees' counsel that the panel could make a de novo review and construe the claims at issue as a matter of law. In addition, Judge Rader raised questions concerning the specific meanings of various terms contained in the claims. Judge Rader's questioning indicates that the panel, well aware of the in

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refused to include this highly relevant information in the Joint Appendix unless Ogontz advanced the copying costs. Ogontz agreed to advance the costs to avoid troubling this Court with additional motion practice. Even now, T-O-T still complains that the prosecution history was irrelevant, a position which is clearly frivolous in light of the holding in *Markham*, and refuses to reimburse Ogontz for inclusion of this material in the appendix as requested in Ogontz' Bill of Costs. *See* Appellant's Objections To The Bill Of Costs Of Ogontz Corporation at 3-4.

[5] Each of the judges on the panel took an oath to uphold the Constitution and the laws of the United States. It is axiomatic that a presumption exists that a merits panel of a United States court of appeals will follow the law. T-O-T has utterly failed to rebut that presumption here.

banc decision in *Markham*, followed the holding of that case and made a de novo review of the claim language and construed the claim language as a matter of law by examining the claim language itself, the specification, the prosecution history and, where helpful, the available extrinsic evidence. Moreover, the panel's unanimous decision, and the entry of a judgment of affirmance without opinion, makes clear that upon review the panel agreed that the judgement of infringement was proper and that appellants' argument was utterly without merit.

There is absolutely no evidence to support appellants' assertion that the panel overlooked or misapprehended the holding of *Markham*.[6] Indeed such a suggestion under the circumstances is outrageous.

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[6] Appellant's counsel certifies that this appeal presents the "precedent-setting question" of whether panels of the court are obliged to apply in banc holdings of the court to pending appeals. This truly is not an issue in this appeal. As explained above, the evidence indicates the panel did apply *Markham* in the present appeal. In any case, the Federal Circuit is in agreement with the general rule that a court should apply the law in effect at the time it renders its decision, unless doing so would result in manifest injustice. *Genentech, Inc. v. Eli Lilly and Co.*, 998 F.2d 931, 944 (Fed. Cir.), *cert. denied*, 114 S. Ct. 1126 (1993). Appellant is merely attempting to manufacture an issue where none exists.

B. Appellants' Antitrust and State Law Arguments have been Argued and Reargued and are not the Proper Subject for Rehearing.

The antitrust and state law arguments in appellants' petition, similar to appellants' patent infringement argument, also present this Court with the same arguments that appellants made in the district court and before the panel on appeal. Again, in their request for yet another hearing on their state law and antitrust claims, appellants ignore the standards, provided to the parties along with the judgment order, governing petitions for rehearings of this Court's rulings, which clearly are not satisfied in the present case.

Petitions for rehearing are not to be used, as appellants attempt here, merely to "reargue matters already briefed and orally argued." I.O.P. Information Sheet. The purpose of a petition for rehearing is to point out particular points of law or fact that the court has overlooked or misapprehended in its opinion. Fed. R. App. P. 40(a). To seek a rehearing by the panel a party "must be able to identify in the court's opinion a material error of fact or law the correction of which would require a different judgment on appeal." I.O.P. Information Sheet. Therefore, the Federal Circuit usually requires that "the court must have filed an opinion in support of its judgment for a petition for rehearing to be appropriate." *Id.*

The granting of a suggestion for rehearing in banc is even more restricted. The Federal Circuit generally requires that "the merits panel entered a *precedential* opinion" before a rehearing in banc is considered appropriate. *Id.* Moreover, to justify reconsideration in banc T-O-T

must show that the merits panel failed to follow identifiable decisions of the Supreme Court of the United States or precedential opinions of the Federal Circuit. *Id.*

T-O-T has not established any of the foregoing requirements for rehearing or rehearing in banc. First, no opinion, precedential or otherwise, was filed in support of the judgment because in the panel's opinion the appellants had utterly failed to raise any issue on appeal concerning the state law and antitrust claims that required an opinion to be written. Second, T-O-T fails to identify a single controlling decision that the merits panel failed to follow. Third, appellants have identified no misapprehended points of law or overlooked facts warranting a rehearing of the state law or antitrust claims; rather, all of the legal arguments made by appellants are arguments which have already been made, repeatedly, by appellants and rejected by the District Court and this Court as meritless.

The only case cited by appellants in support of rehearing their state law claims, *Atari Games Corp. v. Nintendo of America, Inc.*, 897 F.2d 1572 (Fed. Cir. 1990), is not controlling either factually or as a matter of law, especially in light of *Professional Real Estate Investors v. Colombia Pictures,* 113 S. Ct. 1920 (1993). The issue is not whether Ogontz as a patent owner was *wholly* insulted from the antitrust laws, but rather whether Ogontz as a patent owner, a trade secrets holder and a party to a legal employment contract was immune from antitrust liability when exercising its rights under the Constitution to petition the courts for redress.

Contrary to appellants' position, the merits panel properly followed the controlling precedent of the Supreme Court, which held in *Professional Real Estate Investors v. Columbia Pictures,* 113 S.Ct. 1920 (1993), that those who petition the government for redress are generally immune from antitrust liability unless the petition is a "mere sham" to cover the attempt to interfere with competition. *Id.* at 1926. Sham litigation under the *Noerr* doctrine cannot be found where an objective view of the matter shows that a reasonable litigant could realistically expect success on the merits. *Id.* at 1928. An objectively reasonable effort to litigate cannot be a "sham" within the meaning of the exception to the *Noerr* doctrine of immunity from antitrust liability regardless of plaintiff's subjective intent. *Id.* at 1926. A winning lawsuit, such as Ogontz', is by definition a reasonable effort at petitioning for redress and, therefore, immune from antitrust liability. *Id.* at 1928 n.5.

C. An In Banc Rehearing Of Appellants' State Law Claims Would Be Wasteful Of valuable Judicial Resources.

The request of appellants that this Court grant in banc reconsideration on issues of state law represents a curious request for the allocation of judicial resources. The Third Circuit, which is presumably faced with similar requests on a regular basis, has an internal operating procedure providing that "rehearing in banc is ordinarily not granted when the only issue presented is one of state law." I.O.P. – 9.3.3 (3d Cir. 1994). This rule of the Third Circuit provides a valuable example in the present case. There is simply no reason for this court to expend its

judicial resources on an in banc rehearing of appellants' self styled "panoply of claims" to the extent they involve Pennsylvania law. Appellants' Petition for Rehearing And Suggestion For Rehearing In Banc at 13. Therefore, the petition for rehearing of the state law claims should also be denied.

III. CONCLUSION

Evidently, appellants do not believe that it is possible the panel would have ruled against them had the panel really understood the law and appellants' arguments, and believe that if they repeat their arguments enough times, eventually the panel or the court in banc will agree with them. Appellants have identified no legal basis for their entitlement to repeated bites at the same apple. Quite simply, appellants were wrong when they first made these arguments and they are still wrong.

For all the foregoing reasons, this Court should deny the petition for rehearing and suggestion for rehearing in banc.

Date: May 11, 1995

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No. 95-45

IN THE
SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1995

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Petitioners,

vs.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,
Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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19pp

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES ii

STATEMENT OF INTEREST 2

SUMMARY OF ARGUMENT 2

ARGUMENT 4

I. Supreme Court Review Is Needed To Preserve The Rights Of Inventors And Other Patent Litigants To Have Factual Issues Regarding The Scope Of Patent Claims Decided By Juries 4

II. If Claim Interpretation Is Now In All Cases To Become A Question For The Court Subject To *De Novo* Review By The Federal Circuit, The Policies Of Predictability And Consistency That Gave Birth To This Rule Equally Mandate That The Rule Be Applied In *All* Cases, And That The Federal Circuit's Claim Interpretation Be Set Forth In A Written Opinion 10

CONCLUSION 11

TABLE OF AUTHORITIES

CASES Page

Battin v. Taggert, 58 U.S. (17 How.) 74 (1854) 9

Beacon Theatres, Inc. v. Westover, 359 U.S. 500 (1959) 7

Bell Communications Research, Inc. v. Vitalink Communications Corp., 55 F.3d 615 (Fed. Cir. 1995) 5

Bio-Rad Laboratories, Inc. v. Nicolet Instrument Corp., 739 F.2d 604 (Fed. Cir.), *cert. denied*, 469 U.S. 1038 (1984) 9

Bischoff v. Wethered, 76 U.S. (9 Wall.) 812 (1870) 8

Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation, 402 U.S. 313 (1971) 11

Byrd v. Blue Ridge Rural Electric Cooperative, Inc., 356 U.S. 525 (1958) 7

Chauffeurs, Teamsters and Helpers Local No. 391 v. Terry, 494 U.S. 558 (1990) 7

TABLE OF AUTHORITIES--Continued

Page

Dimick v. Schiedt, 293 U.S. 474 (1935) 7

Ex parte Peterson, 253 U.S. 300 (1920) 7

FDIC v. Bowles Livestock Commission Co., 937 F.2d 1350 (8th Cir. 1991) 11

Goodman v. Lukens Steel Co., 482 U.S. 656 (1987) 11

Graham v. John Deere Co., 383 U.S. 1 (1966) 10

Jackson Jordan, Inc. v. Plasser American Corp., 747 F.2d 1567 (Fed. Cir. 1984) 11

Lemelson v. General Mills, Inc., 968 F.2d 1202 (Fed. Cir. 1992), *cert. denied*, 113 S. Ct. 976 (1993) 9

Market Street Cable Railway Co. v. Rowley, 155 U.S. 621 (1895) 9

Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995), *petition for cert. filed*, (U.S. July 3, 1995) (No. 95-26) ..... passim

TABLE OF AUTHORITIES--Continued

Page

Mazer v. Stein, 347 U.S. 201 (1954) 4

McGill, Inc. v. John Zink Co., 736 F.2d 666 (Fed. Cir.), *cert. denied*, 469 U.S. 1037 (1984) 9

Mercoid Corp. v. Mid-Continent Investment Co., 320 U.S. 661 (1944) 4

Moeller v. Ionetics, Inc., 794 F.2d 653 (Fed. Cir. 1986) 8

Palumbo v. Don-Joy Co., 762 F.2d 969 (Fed. Cir. 1985) 9

Parklane Hosiery Co. v. Shore, 439 U.S. 322 (1979) 6

Parsons v. Bedford, 28 U.S. (3 Pet.) 433 (1830) 6

Root v. Railway Co., 105 U.S. 189 (1881) 6

Seymour v. Osborne, 78 U.S. (11 Wall.) 516 (1871) 8

Silsby v. Foote, 55 U.S. (14 How.) 218 (1852) 8

TABLE OF AUTHORITIES--Continued

Page

SmithKline Diagnostics, Inc. v. Helena Laboratories Corp., 859 F.2d, 878 (Fed. Cir. 1988) 5

Tights, Inc. v. Stanley, 441 F.2d 336 (4th Cir.), *cert. denied*, 404 U.S. 852 (1971) 6

Tol-O-Matic, Inc. v. Proma Produkt-Und Marketing Gesellschaft m.b.H., 945 F.2d 1546 (1991) 9

Turrill v. The Michigan Southern & Northern Indiana Railroad, 68 U.S. (1 Wall.) 491 (1863) 8

Walker v. New Mexico & Southern Pacific Railroad Co., 165 U.S. 593 (1897) 7

Wood v. Underhill, 46 U.S. (5 How.) 1 (1847) 9

Yale Lock Mfg. Co. v. Greenleaf, 117 U.S. 554 (1886) 5

TABLE OF AUTHORITIES--Continued

Page

CONSTITUTIONAL AND STATUTORY PROVISIONS

U.S. Const. art. I, §8, cl. 8 4

U.S. Const. amend. VII . . . . . passim

35 U.S.C. §111(a)(2) 5

35 U.S.C. §112 5

RULES OF COURT

Sup. Ct. R. 37 1

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1995

No. 95-45

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Petitioners,

vs.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,
Respondents.

AMICUS CURIAE BRIEF OF INVENTORS CLUBS OF AMERICA

Pursuant to Supreme Court Rule 37 and with the written consent of the parties, a copy of which is on file with the Court, the Inventors Clubs of America respectfully submits this *amicus curiae* brief in support of the grant of the petition for a writ of certiorari.

STATEMENT OF INTEREST

The Inventors Clubs of America ("ICA") is a national association of clubs whose members include approximately 6,000 inventors, scientists, manufacturers, and others involved in problem-solving and inventing. Founded in 1935 and headquartered in Atlanta, Georgia, ICA seeks to stimulate inventiveness and help inventors in all phases of their work, including patenting, development, manufacturing, marketing and advertising. ICA works to prevent abuses of the individual inventor (such as the theft of ideas) to create new industry, and to lower the tax rate. Additionally, ICA conducts research and educational programs, sponsors children's services and professional training, and operates a charitable program and speakers' bureau.

ICA has no financial interest in either the parties to or the outcome of this case. ICA's interest, on behalf of its constituent club members, is to achieve a correct and consistent interpretation and application of the law relating to patents, and in particular to preserve the right to have juries decide disputed issues of fact that arise with respect to patent claim interpretation.

SUMMARY OF ARGUMENT

The day after its landmark *en banc* decision in *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995), *petition for cert. filed*, (U.S. July 3, 1995) (No. 95-26), the Federal Circuit in this case entered a judgment that neither applied the *Markman* holding nor addressed

the Seventh Amendment issue raised by the district court's submission of claim interpretation to different juries that respectively decided validity and infringement. If it is to be the law of the land that claim interpretation is in *all* cases to be decided as a matter of law, initially by the trial judge and thereafter on *de novo* review by the Federal Circuit, inventor-litigants are entitled to have that law of the land applied in their cases. More importantly, although the judgment below is flawed whether claim interpretation is for judge or jury, ICA wishes to stress the importance to inventors and small manufacturers of having juries decide disputed issues regarding the meaning of patent claim terms based on the testimony of persons skilled in the particular art in question. The issue is cleanly presented in this case and it is ripe for an authoritative ruling by this Court.

The current position of the Federal Circuit *en banc*, that in patent jury trials the judge should weigh the evidence and decide disputed facts regarding what claim terms would have meant to skilled artisans, is wholly at odds with the Seventh Amendment jurisprudence of this Court. This Court should grant review and reenfranchise those interested in patents with their historic right to have the critical issue of claim interpretation decided by juries, based on the testimony of persons who are skilled in the relevant art.

ARGUMENT

I. Supreme Court Review Is Needed To Preserve The Rights Of Inventors And Other Patent Litigants To Have Factual Issues Regarding The Scope Of Patent Claims Decided By Juries

In order to promote the progress of science and useful arts, the framers of the Constitution empowered Congress to pass laws securing for limited times to inventors the exclusive right to their discoveries. U.S. Const. art. I, §8, cl. 8.[1] "The economic philosophy behind [this clause] is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and Useful Arts.'" *Mazer v. Stein*, 347 U.S. 201, 219 (1954). A patent is a means of protecting the fruit of an inventor's genius. The grant of a patent confers a special privilege to be free from competition in the practice of the invention. *Mercoid Corp. v. Mid-Continent Investment Co.*, 320 U.S. 661, 665 (1944). This privilege, however, is limited to the invention that the patent defines. *Id.* at 666.

It is a fundamental precept of patent law that the scope of the protected invention is defined by the language of

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[1] Article I, section 8, clause 8 provides that "Congress shall have power . . . To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries."

the patent "claims".[2] *Bell Communications Research, Inc. v. Vitalink Communications Corp.*, 55 F.3d 615, 619 (Fed. Cir. 1995) citing *Yale Lock Mfg. Co. v. Greenleaf*, 117 U.S. 554, 559 (1886). The determination of the meaning of the language of the claims, commonly referred to as claim interpretation, is a critical exercise in a patent case. An improper interpretation of the claims will distort the entire decisional process on the issues of both patent validity and patent infringement. *SmithKline Diagnostics, Inc. v. Helena Laboratories Corp.*, 859 F.2d, 878, 885 (Fed. Cir. 1988). Indeed, a decision on the meaning of the words used in the claim is usually outcome determinative. *See Markman*, 52 F.3d at 989 (Mayer, J., concurring) ("[T]o decide what the claim means is nearly always to decide the case."). Absent intervention by this Court, the Federal Circuit will have effectively "eject[ed] juries from infringement cases." *Id.*

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[2] A patent application consists of three parts: the specification, the drawings, and the oath. *See* 35 U.S.C. §111(a)(2). The specification includes both a general written description of the invention and one or more "claims." A claim is simply an ennumerated paragraph that precisely describes the subject matter that the applicant regards as his or her invention. *Id.* at §112. It is the claims that determine the scope of patent protection that an invention receives.

That there is a Seventh Amendment[3] right to a jury trial in a patent infringement suit seeking monetary damages would appear to be well-settled as a general proposition. *See Markman*, 52 F.3d at 984 (the concurring and dissenting judges agreed with this basic thesis).[4] This conclusion is hardly surprising. "The founders of our Nation considered the right of trial by jury in civil cases an important bulwark against tyranny and corruption, a safeguard too precious to be left to the whim of the sovereign, or, it might be added, to that of the judiciary." *Parklane Hosiery Co. v. Shore*, 439 U.S. 322, 343 (1979) (Rehnquist, J. dissenting) (footnote omitted). The constitutionally guaranteed right to a jury trial "has always been an object of deep interest and solicitude, and every encroachment upon it has been watched with great jealousy." *Parsons v. Bedford*, 28 U.S. (3 Pet.) 433, 446 (1830). Indeed, "[m]aintenance of the jury as a fact-finding body is of such importance and occupies so firm a place in our history and jurisprudence that any seeming curtailment of the right to a jury trial should be

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[3] The Seventh Amendment to the Constitution provides:

> In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury, shall be preserved, and no fact tried by a jury shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law.

[4] In 1791 all patent cases in this country were tried at law; it was not until 1819 that equity jurisdiction was extended to patent cases. *See Root v. Railway Co.*, 105 U.S. 189, 191-93 (1881); *Tights, Inc. v. Stanley*, 441 F.2d 336, 342-43 (4th Cir.), *cert. denied*, 404 U.S. 852 (1971).

scrutinized with the utmost care." *Dimick v. Schiedt*, 293 U.S. 474, 486 (1935).[5]

The function assigned to the jury in the federal system, and preserved by the Seventh Amendment, is to decide disputed issues of fact. *See Byrd v. Blue Ridge Rural Electric Cooperative, Inc.*, 356 U.S. 525, 538-39 (1958). The Seventh Amendment "requires that questions of fact in common law actions shall be settled by a jury, and that the court shall not assume directly or indirectly to take from the jury or to itself such prerogative." *Walker v. New Mexico & Southern Pacific Railroad Co.*, 165 U.S. 593, 596 (1897).[6] The right to jury decision on the meaning of patent claims, therefore, depends in large part upon whether disputed issues of fact are presented. *Cf. Ex parte Peterson*, 253 U.S. 300, 310 (1920) ("No one is entitled in a civil case to trial by jury unless and except so far as there are issues of fact to be determined.")

Patent claims are to be interpreted as they would have been understood by "one of ordinary skill in the art at the time of the invention." *Markman*, 52 F.3d at 986. It is fair to say that "[a] judge is not usually a person conversant in the particular technical art involved and is

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[5] This passage has been quoted as the basis for the grant of certiorari where lower courts have attempted to curtail Seventh Amendment rights. *See Beacon Theatres, Inc. v. Westover*, 359 U.S. 500, 501 (1959).

[6] The Seventh Amendment extends equally to statutory causes of action where legal rights and remedies are at stake. *See Chauffeurs, Teamsters and Helpers Local No. 391 v. Terry*, 494 U.S. 558, 564-65 (1990).

not the hypothetical person skilled in the art to whom a patent is addressed." *Id.* This reality has formed the predicate for the Court to reject an argument that the trial judge, rather than the jury, should have defined the claimed invention, and to query: "How could the Judge know this as matter of law?" *Silsby v. Foote*, 55 U.S. (14 How.) 218, 226 (1852).

Because the meaning of claim language in the context of a particular art is not within the ordinary knowledge of either judge or jury, it is the routine practice to present extrinsic evidence such as prior art and expert testimony of those who were skilled in the pertinent art at the time of the invention.[7] Indeed, it is precisely because there will be competing extrinsic evidence that the meaning of the patent claim terms must be decided by the jury. *See Silsby*, 55 U.S. (14 How.) at 226 (determining the claimed invention was "a question for the jury, upon the evidence of experts, or an inspection by them of the machines, or upon both. . . ."); *Bischoff v. Wethered*, 76 U.S. (9 Wall.) 812, 815-16 (1870) (ascertaining the character of the thing invented, based on the patent specification and evidence *in pais*, was a jury question); *Turrill v. The Michigan Southern & Northern Indiana Railroad*, 68 U.S. (1 Wall.)

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[7] The failure to allow expert testimony, regarding how those skilled in the art would interpret the claim, has been held to constitute an abuse of discretion. *See Moeller v. Ionetics, Inc.*, 794 F.2d 653, 657 (Fed. Cir. 1986); *see also Seymour v. Osborne*, 78 U.S. (11 Wall.) 516, 546 (1871) ("Cases doubtless arise where the language of the specification and claim . . . is so interspersed with technical terms and terms of art that the testimony of scientific witnesses is indispensable to a correct understanding of its meaning. [I]t would undoubtedly be error in the court to reject the testimony. . . .").

491 (1863) (whether or not the invention as claimed was found in the prior art was a question for the jury, and not for the court); *Battin v. Taggert*, 58 U.S. (17 How.) 74, 85 (1854) (it was for the jury to decide whether that which was claimed in a renewed patent was for the same invention as in the original patent); *Wood v. Underhill*, 46 U.S. (5 How.) 1, 5-6 (1847) (whether a claim description was sufficiently clear to enable one skilled in the art to compound and use the invention was for the jury to decide from the evidence of persons skilled in the art).[8] This same proposition can also be deduced by negative inference from other decisions of the Court. *See, e.g., Market Street Cable Railway Co.* v. *Rowley*, 155 U.S. 621, 625 (1895) ("No extrinsic evidence was given or needed to explain terms of art. . . . The question was, then, one of pure construction and not of evidence, and consequently was matter of law for the court, without any auxiliary fact to be passed upon by the jury.").

More recent precedent of the Court also leads to the conclusion that claim interpretation is a question of fact for the jury. Before there can be a determination of how

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[8] There is also a substantial body of pre-*Markman* Federal Circuit precedent that follows the teachings of this Court that claim interpretation is for the jury when conflicting evidence has been presented. *See, e.g., Lemelson v. General Mills, Inc.*, 968 F.2d 1202, 1206 (Fed. Cir. 1992), *cert. denied*, 113 S. Ct. 976 (1993); *Tol-O-Matic, Inc. v. Proma Produkt-Und Marketing Gesellschaft m.b.H.*, 945 F.2d 1546, 1549-50 (1991); *Palumbo v. Don-Joy Co.*, 762 F.2d 969, 974 (Fed. Cir. 1985); *Bio-Rad Laboratories, Inc. v. Nicolet Instrument Corp.*, 739 F.2d 604, 613-14 (Fed. Cir.), *cert. denied*, 469 U.S. 1038 (1984); *McGill, Inc. v. John Zink Co.*, 736 F.2d 666, 672 (Fed. Cir.), *cert. denied*, 469 U.S. 1037 (1984).

claim terms would have been understood by those of ordinary skill in the pertinent art at the time of the invention, there must first be a preliminary resolution of what the level of ordinary skill in the pertinent art is. This preliminary question is "a basic factual inquiry." *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966). Because this is a factual inquiry, a litigant in a patent suit at law is guaranteed the right to have it decided by a jury.

The present state of the law in the Federal Circuit derogates the Seventh Amendment and contravenes this Court's precedent. Supreme Court review is needed to preserve the rights of inventors and all other patent litigants to have factual issues regarding the scope of patent claims decided by juries.

II. If Claim Interpretation Is Now In All Cases To Become A Question For The Court Subject To *De Novo* Review By The Federal Circuit, The Policies Of Predictability And Consistency That Gave Birth To This Rule Equally Mandate That The Rule Be Applied In *All* Cases, And That The Federal Circuit's Claim Interpretation Be Set Forth In A Written Opinion

Although ICA finds itself in accord with the substantive views expressed by Judge Newman in dissent in *Markman*, no enlightened system of jurisprudence can tolerate the refusal by some to apply the law as established for the Circuit by the Court *en banc*. Unless and until *this Court* rules otherwise, *en banc* precedent is binding and must be applied in all subsequent decisions by panels of the Court

of Appeals and district courts alike. *See, e.g., FDIC v. Bowles Livestock Commission Co.*, 937 F.2d 1350, 1354 (8th Cir. 1991).

The policies of consistency and predictability, that are believed by some to be furthered by the *Markman* majority rule, equally mandate application of the *Markman* rule in this case if this Court does not change that rule.[9] Moreover, the Federal Circuit's interpretation of the meaning of patent claims will be of no utility for future cases unless set forth in an opinion. Absent such a written claim interpretation, there cannot even arguably be "a permanent and universal definition of [the inventor's] rights under the patent." *Markman*, 52 F.3d at 979.[10]

CONCLUSION

ICA respectfully urges the Court to grant writs in this case and in *Markman*, No. 95-26, and to restore the right

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[9] Except in certain defined circumstances not here applicable, "federal cases should be decided in accordance with the law existing at the time of decision." *Goodman v. Lukens Steel Co.*, 482 U.S. 656, 662 (1987).

[10] When such judicial claim interpretation involves a resolution of competing extrinsic evidence, it would seem that any permanence of such an interpretation can only be applied *against* the inventor and not in favor of the inventor against other infringers. *See, e.g., Blonder-Tongue Laboratories, Inc. v. University of Illinois Foundation*, 402 U.S. 313 (1971). Even when asserted against the inventor or patentee, a prior "scope of the claim" determination may not be given collateral estoppel effect. *See Jackson Jordan, Inc. v. Plasser American Corp.*, 747 F.2d 1567, 1577-78 (Fed. Cir. 1984).

to have disputed issues of fact regarding the meaning of patent claim terms decided by juries.

Respectfully submitted,

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FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,

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v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY,

Respondents.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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34pp

TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iii

THE FIRST QUESTION PRESENTED FOR REVIEW IS A SUBSIDIARY QUESTION FAIRLY INCLUDED WITHIN THE SECOND QUESTION AND IT HAS NOT BEEN WAIVED 2

THE SEVENTH AMENDMENT COMPELS A NEW TRIAL WHERE DISPUTED ISSUES OF FACT REGARDING CLAIM INTERPRETATION, CRITICAL TO BOTH VALIDITY AND INFRINGEMENT ANALYSES, WILL BE DECIDED BY ONE JURY 6

THE CAFC PANEL DISPOSITION OF THIS CASE BY SUMMARY AFFIRMANCE WAS AN ABUSE OF FED. CIR. R. 36 8

CONCLUSION 10

SUPPLEMENTAL APPENDIX

Petitioners' Proposed Jury Instructions, Nos. 19, 20, 21 & 22, Filed April 14, 1994 ..... 53a

TABLE OF CONTENTS--Continued

Page

Petitioners' Proposed Supplemental Jury Instructions, No. 35, Filed April 25, 1994 ..... 59a

Petitioners' Proposed General Verdict With Interrogatories 1-16, Filed April 14, 1994 ..... 62a

Petitioners' Proposed Findings Of Fact And Conclusions Of Law In Connection With Ogontz Corporation's Request For A Permanent Injunction, Filed May 11, 1994 ..... 68a

TABLE OF AUTHORITIES

CASES Page

Atlantic & Gulf Stevedores, Inc. v. Ellerman Lines, Ltd., 369 U.S. 355 (1962) 7
Cuyler v. Sullivan, 446 U.S. 335 (1980) 4
Dow Corning Wright Corp. v. Osteonics Corp., No. 93-1282, 1995 WL 250991 (Fed. Cir. Apr. 28, 1995) 9
Fraige v. American-National Watermattress Corp., 996 F.2d 295 (Fed. Cir. 1993) 8
Galloway v. United States, 319 U.S. 372 (1943) 3
Gasoline Products Co., Inc. v. Champlin Refining Co., 283 U.S. 494 (1931) 6, 7
Graco, Inc. v. Binks Mfg. Co., ___ F.3d ___, 35 USPQ 2d 1255 (Fed. Cir. 1995) 9
Intervet America, Inc. v. Kee-Vet Laboratories, Inc., 887 F.2d 1050 (Fed. Cir. 1989) 5
Markman v. Westview Instruments, Inc., 52 F.3d 967 (Fed. Cir. 1995) (in banc), *petition for cert. filed*, 64 U.S.L.W. 3068 (U.S. Jul. 3, 1995) (No. 95-26) ..... passim
Neely v. Martin K. Eby Construction Co., Inc., 386 U.S. 317 (1967) 3

TABLE OF AUTHORITIES--Continued

Page

Procunier v. Navarette, 434 U.S. 555 (1978) 4
Simone v. Golden Nugget Hotel and Casino, 844 F.2d 1031 (3d Cir. 1988) 6
Structural Rubber Products Co. v. Park Rubber Co., 749 F.2d 707 (Fed. Cir. 1984) 8
United States v. Mendenhall, 446 U.S. 544 (1980) 4
Vance v. Terrazas, 444 U.S. 252 (1980) 4
Witco Chemical Corp. v. Peachtree Doors, Inc., 787 F.2d 1545 (Fed. Cir.), *cert. dismissed*, 479 U.S. 877 (1986) 7
Yakus v. United States, 321 U.S. 414 (1944) 5

CONSTITUTIONAL PROVISIONS

U.S. Const. amend. VII ..... *passim*

RULES OF COURT

Sup. Ct. R. 14.1(a) 5
Sup. Ct. R. 15.2 1
Sup. Ct. R. 15.6 1

TABLE OF AUTHORITIES--Continued

Page

Sup. Ct. R. 24.3 1
Fed. R. Civ. P. 50 ..... 2, 3
Fed. R. Civ. P. 60(b)(3) 8
Fed. Cir. R. 36 8
Fed. Cir. R. 47.6(b) 9

MISCELLANEOUS

9A CHARLES A. WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 2534 (1995) 3

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Respondents.

REPLY BRIEF OF PETITIONERS

Petitioners Fred L. Pirkle and Therm-Omega-Tech, Inc. respectfully submit this Reply Brief in accordance with Supreme Court Rule 15.6 to address arguments first raised in the Brief in Opposition of Ogontz Corporation and Thomas M. Kenny ("Ogontz").[1]

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[1] In a transparent attempt to garner 15 more pages of argument and despite the express provisions of Supreme Court Rule 24.3 which is incorporated in Supreme Court Rule 15.2, Ogontz has included arguments that it made in the CAFC in an "appendix" and incorporated those arguments into its brief by footnote 8 on page 20 thereof. Petitioners do not address these improperly incorporated arguments.

THE FIRST QUESTION PRESENTED FOR REVIEW IS A SUBSIDIARY QUESTION FAIRLY INCLUDED WITHIN THE SECOND QUESTION AND IT HAS NOT BEEN WAIVED

In the district court, petitioners, respondents and the court were *all* in agreement that the resolution of disputed issues of fact relating to claim interpretation was for the jury upon proper instruction by the court. Indeed, specific jury instructions and special interrogatories were proposed by petitioners to assist the jury in its claim interpretation role. *See* Supp. App. 53a-67a. The district court gave the essential substance of these proposed instructions to the jury.[2] Because the district court had given the fundamental question of claim interpretation to the juries, there was no basis for petitioners, who were in accord with that position, to raise as error, in either post trial motions or on appeal to the CAFC, the district court's ruling that claim interpretation is a jury question.

At no point in this case have petitioners ever argued that disputed issues of material fact regarding claim interpretation are to be decided by the court rather than by the jury. To be sure, in their Rule 50 motions in the district court and on appeal to the CAFC, petitioners

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[2] Indeed, in trying to conjure up a waiver argument in the CAFC to counter petitioners' claimed entitlement to judgment as a matter of law, Ogontz argued that "[i]n the case at hand, the jury instructions, unchallenged by T-O-T, included an instruction that the meanings of the asserted claims must be determined by the jury from a study of all the relevant patent documents, expert testimony and the testimony of the inventor. (A.3843-46)" [Ogontz's CAFC Brief, p. 30].

argued that the courts were obliged to construe the claims in accordance with petitioners' urged and evidentially supported interpretations, and that such construction was required as a matter of law. The basis for that argument, however, was petitioners' contention that there was no substantial evidence to support Ogontz's urged interpretations. [CAFC Brief for Appellants, pp. 11, 32-34; Reply Brief, pp. 20-25].[3]

It is the very function of Rule 50 to permit the entry of judgment by the court, "as a matter of law" "[i]f during a jury trial a party has been fully heard on an issue and there is no legally sufficient evidentiary basis for a reasonable jury to find for that party on that issue." Fed. R. Civ. P. 50(a)(1). This Court has made clear that the Seventh Amendment does not preclude in appropriate circumstances the entry of judgment as a matter of law either before verdict, *Galloway v. United States*, 319 U.S. 372, 388-93 (1943), or after verdict. *Neely v. Martin K. Eby Construction Co., Inc.*, 386 U.S. 317, 321 (1967). It is also well-established that the filing of "[a] motion for judgment as a matter of law prior to the submission of the case to the jury that is not granted is not a waiver of the right to have issues of fact submitted to the jury." 9A CHARLES A. WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE § 2534 at 321 (1995).

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[3] Ogontz clearly recognized that this was the nature of petitioners' "claim construction as a matter of law argument." [Ogontz's CAFC Brief, p. 28 ("T-O-T argues that the evidence at trial supports its position regarding claim construction and that Ogontz failed to present evidence to support Ogontz' position. Brief at 34")].

With no occasion to have done so prior to the decision in *Markman v. Westview Instruments, Inc.*, 52 F.3d 967 (Fed. Cir. 1995) (in banc), *petition for cert. filed*, 64 U.S.L.W. 3068 (U.S. Jul. 3, 1995) (No. 95-26), petitioners did not *expressly* argue in post trial motions or on appeal to the CAFC that the Seventh Amendment requires that disputed issues of fact regarding claim interpretation be decided by the jury. That issue, however, was fairly and necessarily included within the Seventh Amendment issue that petitioners have expressly argued at *all* levels. Prior to the second trial, in post trial motions after the second trial, on appeal to the CAFC and in the pending petition for a writ of certiorari, petitioners have argued that the Seventh Amendment does not permit one jury to interpret patent claims in deciding the question of patent validity and a different jury to again interpret the claims in deciding the question of infringement when the issue of claim interpretation is critical to both infringement and patent validity.

Essential to an analysis and proper disposition of this issue (the second question presented by petitioners) is resolution of the subsidiary question as to whether claim interpretation is a jury question at all. That subsidiary question (the first question presented by petitioners) has clearly been preserved for review in this case. *See United States v. Mendenhall*, 446 U.S. 544, 551-52 n.5 (1980); *Cuyler v. Sullivan*, 446 U.S. 335, 342-43 n.6 (1980); *Vance v. Terrazas*, 444 U.S. 252, 258-59 n.5 (1980); *Procunier v. Navarette*, 434 U.S. 555, 559-60 n.6 (1978). Indeed, had petitioners only set forth the Seventh Amendment issue presented in the second question, the issue raised by the

first question would nevertheless have been presented for consideration by the Court. *See* Supreme Court Rule 14.1(a) ("The statement of any question presented will be deemed to comprise every subsidiary question fairly included therein.").

The Court's decision in *Yakus v. United States*, 321 U.S. 414, 444 (1944), cited by Ogontz, has no applicability here. Ogontz's waiver argument is groundless.

THE SEVENTH AMENDMENT COMPELS A NEW TRIAL WHERE DISPUTED ISSUES OF FACT REGARDING CLAIM INTERPRETATION, CRITICAL TO BOTH VALIDITY AND INFRINGEMENT ANALYSES, WILL BE DECIDED BY ONE JURY

The factors which require that the issues of infringement and validity in this case be retried to and decided by the same jury are quite simple: (1) proper claim construction was a critical issue as to both the question of infringement and the defense of patent invalidity by reason of obviousness and anticipation; (2) by reason of the extrinsic evidence presented, the district court submitted the issue of claim construction to the juries and did not decide it as a matter of law; (3) the claims of a patent must be given the same construction when considering infringement as when considering validity. *Intervet America, Inc. v. Kee-Vet Laboratories, Inc.*, 887 F.2d 1050, 1053 (Fed. Cir. 1989); and (4) the unrefuted evidence of record is that claims 4 and 10 of the '007 patent can not properly be construed to be both valid *and* infringed by Guru Plugs. [A.3747].

That the Seventh Amendment compels a new trial in this case, should the Court decide that conflicting evidence regarding claim construction presents a question for the jury,[4] is taught by *Gasoline Products Co., Inc. v. Champlin Refining Co.*, 283 U.S. 494, 500 (1931)[5] and its progeny. As the Third Circuit noted in *Simone v. Golden Nugget Hotel and Casino*, 844 F.2d 1031, 1040 (3d Cir. 1988):

> The standard for determining whether a partial new trial is proper was long ago established: "Where the practice permits a partial new trial, it may not properly be resorted to unless it clearly appears that the issue to be retried is so distinct and separable from the others that a trial of it alone may be had without injustice." *Gasoline Products Co. v. Champlin Ref. Co.*, 283 U.S. 494, 500 . . . (1931).

Since, as pointed out in the petition, the subsidiary issue of claim interpretation is common to both infringement and invalidity analyses, the *Gasoline Products* standard clearly could not be met by a retrial of the question of infringement without also retrying the issue of validity.

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[4] Nowhere in its Brief in Opposition does Ogontz dispute petitioners' arguments that claim interpretation is for the jury when conflicting extrinsic evidence has been presented, or that the majority rule of the CAFC in banc as enunciated in *Markman* conflicts with the prior teachings of this Court. Thus, the existence of the *Markman* rule directly under challenge before this Court, both here and in *Markman*, can hardly render the second Seventh Amendment question "no longer a question of importance." [Brief in Opposition, pp. 9 and 15 n.5].

[5] Ogontz does not even address this seminal case.

The CAFC has specifically applied *Gasoline Products* in the context of a retrial where claim interpretation was a disputed issue pertinent to both infringement and invalidity. *See Witco Chemical Corp. v. Peachtree Doors, Inc.*, 787 F.2d 1545 (Fed. Cir.), *cert. dismissed*, 479 U.S. 877 (1986). Ogontz misperceives the full extent of the CAFC's holding in *Witco*.

Unquestionably, one aspect of the holding in *Witco* related to the coercive effect of certain actions by the district court which tainted the infringement verdict. The jury's verdict on validity rendered six weeks earlier, however, was not infected by any coercion. Thus, after vacating the tainted infringment verdict the *Witco* court was presented with exactly the circumstances that existed in this case after the first trial: jury findings that the patents were not invalid or unenforceable, but jury impasse on the issue of infringement. A new trial on the validity and enforceability issues as well as on the issue of infringement was required in *Witco* because the scope of the disputed claims was to be determined by the jury and thus "the arguments against infringement [were] indistinguishably woven with the factual underpinnings of the validity and enforceability determinations." 787 F.2d at 1549.

Ogontz's citation of *Atlantic & Gulf Stevedores, Inc. v. Ellerman Lines, Ltd.*, 369 U.S. 355, 364 (1962) is totally misplaced as that case did not involve a situation where *two* different juries would be called upon to decide the same factual issue. That case involved the construction of answers to interpretations given by *one* jury. Ogontz's

citation of two cases in which the issues of patent validity and infringement were tried to separate juries is also not instructive.

In *Fraige v. American-National Watermattress Corp.*, 996 F.2d 295 (Fed. Cir. 1993), appeal was only taken from the order denying the Rule 60(b)(3) motion for relief from the patent invaldity judgment. There was no jury issue of claim construction presented and no Seventh Amendment issue. Similarly, in *Structural Rubber Products Co. v. Park Rubber Co.*, 749 F.2d 707 (Fed. Cir. 1984), it was only the patent holder that appealed the judgment of invalidity based on lack of novelty. There was no appeal of the finding of infringement. More importantly, neither in the CAFC nor on remand was a *Gasoline Products* issue either presented or decided.

THE CAFC PANEL DISPOSITION OF THIS CASE BY SUMMARY AFFIRMANCE WAS AN ABUSE OF FED. CIR. R. 36

In light of the *Markman* in banc decision, the non-amenability of this case to summary affirmance pursuant to Fed. Cir. R. 36 is manifest. At no time either before or after the verdicts at either trial did the district court interpret the claims in issue. Ogontz's unsupported statements to the contrary [Brief in Opposition, pp. 10-12] are unsupported in truth or by the record.[6] The in banc

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[6] The sole record references for Ogontz's untenable statements are pages 1a and 49a-50a of petitioners' appendix. These pages reflect actions by the clerk of the CAFC, not the district court, and they do

Markman majority decision that was binding on the CAFC panel in this case established that "the court has the power and the obligation to construe as a matter of law the meaning of the language used in the patent claim," 52 F.3d at 979, and a failure to instruct the jury as to the meaning of the claims cannot be harmless when the district court does not thereafter construe the claims in the course of granting judgment as a matter of law. *Id.* at 981-82. The *Markman* majority also held that claim construction is subject *de novo* review. *Id.* at 981.

In both precedential and nonprecedential post-*Markman* opinions, the CAFC has made clear that district court judgments must be vacated in circumstances such as presented here. *See, e.g., Graco, Inc. v. Binks Mfg. Co.*, ___ F.3d ___, 35 USPQ2d 1255, 1259-60 (Fed. Cir. 1995) (precedential disposition) ("The [district] court's opinion is absolutely devoid of any discussion of claim construction. * * * The entire omission of a claim construction analysis from the opinion, and the conclusory factual findings on infringement, each provide an independent basis for remand."); *Dow Corning Wright Corp. v. Osteonics Corp.*, No. 93-1282, 1995 WL 250991 at *1 (Fed. Cir. Apr. 28, 1995) (nonprecedential disposition)[7] ("In this case, as in

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not reflect an interpretation of the claims by any judge of any court. Indeed, the record reflects that petitioners requested the district judge to make claim interpretation findings, Supp. App. 68a-71a, and that he refused. App. 15a.

[7] Pursuant to Fed. Cir. R. 47.6(b), such a disposition is not citable as precedent. This case, however, decided by a panel that included Senior

Markman, the district court erred in submitting the issue of claim interpretation to the jury. However, in this case, the error cannot be deemed merely harmless. The court's ruling on the motion for new trial was one word, 'Denied,' which provided no indication that the trial court performed its obligation to construe the claim language as a matter of law.").

CONCLUSION

Ogontz has provided no credible arguments as to why this case should not be reviewed by this Court. The questions presented by petitioners are of extraordinary importance, they have clearly been preserved for review, and they must be addressed and decided in any principled disposition of the case. The petition for a writ of certiorari should be granted.

Respectfully submitted,

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August 14, 1995 *Attorneys for Petitioners*

Circuit Judge Skelton, is instructive of how Judge Skelton, who was also a member of the CAFC panel in this case and voted to grant rehearing, might approach the issue.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CIVIL ACTIONS NO. 86-3374 and NO. 90-2430

OGONTZ CORPORATION,
Counterclaimant,

v.

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Counterclaim Defendants.

COUNTERCLAIM DEFENDANTS'
PROPOSED JURY INSTRUCTIONS

[FILED APRIL 4, 1994]

Pursuant to Rule 51 of the Federal Rules of Civil Procedure and Local Rule 21(d)4(a), Counterclaim Defendants respectfully submit these jury instructions and request that the Court charge the jury in accordance with the attached. Counterclaim Defendants reserve the right to supplement these requests to address issues which could not reasonably have been anticipated prior to trial.

Respectfully submitted,

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Defendants

COUNTERCLAIM DEFENDANTS'
PROPOSED JURY INSTRUCTION NO. 19

Importance Of Claim Construction

The first step to be addressed when deciding patent infringement is claim construction. This is a vitally important step and must not be given "short shrift."[1] Indeed, "improper claim construction can distort [an] entire infringement analysis."[2]

In the interpretation of words used in a patent claim, you should give consideration and weight to several pertinent factual issues, incuding the description of the claimed element in the specification, the intended meaning and usage of the claim terms by the inventor, what transpired during the prosecution of the patent applications, and the technological evidence offered by the expert witnesses.[3] You should also take into consideration the prior art because a patent claim must be construed to be limited so as to exclude prior art.[4]

You are advised, however, that a patent claim is not to be construed in light of the accused device. Indeed, "[i]t is only after the claims have been construed without reference to the accused device that the claims, as so construed, are applied to the accused device to determine infringement" (emphasis in original).

Authority: [1] Lemelson v. General Mills, Inc., 968 F.2d 1202, 1206 (Fed. Cir. 1992), cert. denied, 113 S. Ct. 976 (1993).

[2] SmithKline Diagnostics, Inc. v. Helena Laboratories Corp., 859 F.2d 878, 885 (Fed. Cir. 1988).

[3] Tol-O-Matic, Inc. v. Proma Produkt-Und Marketing Gesellschaft, 945 F.2d 1546, 1550 (Fed. Cir. 1991).

[4] Keller v. Clark Equipment Co., 210 U.S.P.Q. 742 (D.N.D. 1981).

[5] SRI Intern'l v. Matsushita Electric Corp. of America, 775 F.2d 1107, 1118 (Fed. Cir. 1985).

COUNTERCLAIM DEFENDANTS
PROPOSED JURY INSTRUCTION NO. 20

Claims Must Be Construed
In The Same Way On Issues
Of Infringement And Validity

The claims of a patent must be given the same construction when considering infringement as when considering validity.

Authority: Intervet America, Inc. v. Kee-Vet Laboratories, Inc., 887 F.2d 1050, 1053 (Fed. Cir. 1989).

COUNTERCLAIM DEFENDANTS'
PROPOSED JURY INSTRUCTION NO. 21

Additional Principles Of Patent
Law Pertinent To Claim Construction

In construing the '007 and '512 patents you should also consider the following principles of patent law.

Inventors are required to define their inventions with such particularity that would-be infringers know the metes

and bounds of the legal protection to which the patent owner is entitled.[1] In order to satisfy the enablement requirement for patentability, "there must be sufficient disclosure, either through illustrative examples or terminology, to teach those of ordinary skill how to make and how to use the invention as broadly as it is claimed."[2] The Patent and Trademark Office's grant of the '007 and '512 patents presumptively establishes that the statutory enablement requirement has been met. Mindful that the claims of a patent should be construed so as to maintain the validity of the patent if that is at all possible,[3] you should construe the claims of the '007 and '512 patents no more broadly than to encompass that which those of ordinary skill would have been enabled to make by the disclosure of those patents.

Authority: 1 Palmer v. United States, 423 F.2d 316, 319 (Ct. Cl.), cert. denied, 400 U.S. 951 (1970).

[2] In re Vaeck, 947 F.2d 488, 496 (Fed. Cir. 1991).

[3] ACS Hospital Systems, Inc. v. Montefiore Hospital, 732 F.2d 1572, 1577 (Fed. Cir. 1984).

COUNTERCLAIM DEFENDANTS' PROPOSED JURY INSTRUCTION NO. 22

Inventor To Be His Own Lexicographer

In instructing you on the issue of claim construction, I have advised you that you are to take into consideration the intended meaning and usage of the claim terms by the inventor. Inventors are not confined to normal dictionary meanings because the dictionary does not, and cannot, keep abreast of the inventor. Things are not made for the

sake of words, but words for things. To overcome this lag, patent law allows the inventor to be his own lexicographer (dictionary writer).[1] Though inventors may be their own lexicographers, they must use words in the same way in the claims and in the specifications.[2] Thus, the inventor's words must be construed in connection with the other parts of the patent instrument and with the circumstances surrounding the inception of the patent application.

Authority: [1] Fromson v. Advance Offset Plate, Inc., 720 F.2d 1565, 1569 (Fed. Cir. 1983).

[2] Fonar Corp. v. Johnson & Johnson, 821 F.2d 627, 632 (Fed. Cir. 1987), cert. denied, 484 U.S. 1027 (1988).

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CIVIL ACTIONS NO. 86-3374 and NO. 90-2430

OGONTZ CORPORATION,
Counterclaimant,

v.

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Counterclaim Defendants.

COUNTERCLAIM DEFENDANTS' PROPOSED SUPPLEMENTAL JURY INSTRUCTIONS

[FILED APRIL 25, 1994]

Pursuant to Rule 51 of the Federal Rules of Civil Procedure and Local Rule 21(d)4(a), Counterclaim Defendants respectfully submit these supplemental jury instructions and request that the Court charge the jury in accordance with the attached. Counterclaim Defendants reserve the right to supplement these requests to address issues which could not reasonably have been anticipated prior to trial.

Respectfully submitted,

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Defendants

COUNTERCLAIM DEFENDANTS'
PROPOSED JURY INSTRUCTION NO. 35[1]

Claim Construction -- Language Construed As By One Skilled In the Art At The Time Of The Invention

"The claims of a patent should be construed as they would have been understood by one of ordinary skill in the art at the time the invention was made."

Authority: Mobil Oil Corp. v. Amoco Chemicals Corp., 779 F. Supp. 1429, 1442 (D.Del. 1991), aff'd, 980 F.2d 742 (1992); 865 F.2d 1247, 1251 (Fed. Cir. 1989).

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1 Counterclaim defendants request that this instruction be added to Counterclaim Defendants' Proposed Jury Instruction Number 19.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

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OGONTZ CORPORATION,
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v.

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Counterclaim Defendants.

COUNTERCLAIM DEFENDANTS' PROPOSED
GENERAL VERDICT WITH INTERROGATORIES

[FILED APRIL 4, 1994]

Pursuant to Federal Rule of Civil Procedure 49(b), Counterclaim Defendants submit the attached general verdict form with interrogatories and request that the Court submit the form to the jury in accordance therewith. Counterclaim Defendants reserve the right to supplement these requests to address issues which could not reasonably have been anticipated prior to trial.

Respectfully submitted,

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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

CIVIL ACTIONS NO. 86-3374 and NO. 90-2430

OGONTZ CORPORATION,
Counterclaimant,

v.

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.,
Counterclaim Defendants.

JURY VERDICT FORM

VERDICT

We find in favor of

Counterclaimant (Ogontz) _____

Counterclaim Defendants (Therm-Omega-Tech and Mr. Pirkle) _____

IF YOU HAVE FOUND IN FAVOR OF COUNTERCLAIM DEFENDANTS STOP HERE. IF YOU HAVE FOUND IN FAVOR OF COUNTERCLAIMANT, ANSWER THE FOLLOWING INTERROGATORIES AS APPROPRIATE.

INTERROGATORIES

1. Does the word "connected" as used in claims 1, 4, 9 and 10 of the '007 patent and claims 1 and 2 of the '512 patent mean "joined or linked together by an intervening element"?
   Yes _____ No _____

2. Does the word "connectable" as used in claim 1 of the '007 patent and claims 1 and 2 of the '512 patent mean "capable of being joined or linked or linked together by an intervening element"?
   Yes _____ No _____

3. Does the word "coupled" as used in claim 2 of the '512 patent mean "joined or linked together directly"?
   Yes _____ No _____

4. Does the word "attached" as used in claim 2 of the '007 patent mean "made fast as by tying or gluing"?
   Yes _____ No _____

5. Does the word "secured" as used in claims 4, 9 and 10 of the '007 patent mean "held fast"?
   Yes _____ No _____

6. Does the phrase "in contact with" as used in claims 1 and 2 of the '512 patent mean "touching"?
   Yes _____ No _____

7. Does the word "carried" as used in claim 1 of the '007 patent mean "borne"?
   Yes _____ No _____

8. Does the word "engaged" as used in claims 4 and 10 of the '007 patent mean "interlocked or meshed"?

Yes _____ No _____

9. Does the phrase "actuator element" as used in claims 4, 9 and 10 of the '007 patent mean "the piston"?

Yes _____ No _____

10. Does the phrase "temperature sensing element" as used in claims 1 and 3 of the '007 patent and claims 1 and 2 of the '512 mean "the actuator body"?

Yes _____ No _____

11. Does the phrase "heat conductive housing" as used in claim 1 of the '007 patent and claims 1 and 2 of the '512 patent mean "a housing with good heat conductivity"?

Yes _____ No _____

12. Does the word "through" as used in claims 4 and 10 of the '007 patent mean "extending from one surface to another"?

Yes _____ No _____

13. Does the word "controlling" as used in claims 2 of the '007 patent mean "slowing down"?

Yes _____ No _____

14. Does the phrase "to control" as used in claim 2 of the '512 patent mean "to slow down"?

Yes _____ No _____

15. Does the word "step" as used in claims 4 and 10 of the '007 patent mean "a steplike projection"?
Yes _____ No _____

16. Does any version of the Guru Plug have a "valve stem" or "stem means", as those terms are used in claims 1, 4, 9 and 10 of the '007 patent?
Yes _____ No _____

* * *

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Civil Action Nos. 86-3374 and 90-2430

FRED L. PIRKLE and THERM-OMEGA-TECH, INC.

v.

OGONTZ CONTROLS COMPANY and THOMAS M. KENNY

COUNTERCLAIM DEFENDANTS' PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW IN CONNECTION WITH OGONTZ CORPORATION'S REQUEST FOR A PERMANENT INJUNCTION

[FILED MAY 11, 1994]

Counterclaim defendants respectfully submit the following proposed findings of fact and conclusions of law in connection with Ogontz Corporation's request for a permanent injunction:

Proposed Findings Of Fact

1. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "stem" as used in claims 4, 9 and 10 of the '007 patent to mean "the rod or spindle by which a valve is operated."

2. The inventor intended the word "connected" as used in claims 4, 9 and 10 of the '007 patent to mean "physically joined or linked together by an intervening element."

3. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "connected" as used in claims 4, 9 and 10 of the '007 patent to mean "physically joined or linked together by an intervening element."

4. The inventor intended the word "secured" as used in claims 4, 9 and 10 of the '007 patent to mean "held fast."

5. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "secured" as used in claims 4, 9 and 10 of the '007 patent to mean "held fast."

6. The inventor intended the word "with" as used in the phrase "moves with" in claims 4, 9 and 10 of the '007 patent to mean "at the same time, in the same direction, along the same axis and for the same distance."

7. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "with" as used in the phrase "moves with" in claims 4, 9 and 10 of the '007 patent to mean "at the same time, in the same direction, along the same axis and for the same distance."

8. The inventor intended the word "engaged" as used in claims 4, 9 and 10 of the '007 patent to mean "interlocked or meshed."

9. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "engaged" as used in claims 4 and 10 of the '007 patent to mean "interlocked or meshed."

10. The inventor intended the phrase "actuator element" as used in claims 4, 9 and 10 of the '007 patent to mean "the piston."

11. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the phrase "actuator element" as used in claims 4, 9 and 10 of the '007 patent to mean "the piston."

12. The inventor intended the word "through" as used in claims 4 and 10 of the '007 patent to mean "extending from one surface to another."

13. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "through" as used in claims 4 and 10 of the '007 patent to mean "extending from one surface to another."

14. The inventor intended the phrase "heat conductive housing" as used in claim 9 of the '007 patent to mean "a housing with good heat conductivity."

15. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the phrase "heat conductive housing" as used in claim 9 of the '007 patent to mean "a housing with good heat conductivity."

16. A person of ordinary skill in the art of designing and making locomotive freeze protection valves at the time of the '007 patent application would have understood the word "remote" as used in claim 9 of the '007 patent to mean "separated by great intervals."

17. The foregoing definitions as intended by the inventor and/or understood by one of ordinary skill in the art are consistent with the prosecution history, the specification, other claims and the drawings of the '007 patent and dictionary definitions.

* * *